

July 25, 2006



TRANSCRIPT

July 25, 2006

MONTGOMERY COUNTY COUNCIL

PRESENT

George Leventhal, President	Marilyn J. Praisner, Vice President
Phil Andrews	Howard Denis
Nancy Floreen	Michael Knapp
Thomas Perez	Steven A. Silverman
	Michael Subin



July 25, 2006

1 [MUSIC]

2
3 Council President Leventhal,
4 Good morning. Is Chaplain Asfaw here? Hello, Chaplain, good morning. How are you?
5 Will you please give us an invocation? We appreciate it. Please rise for the invocation
6 from Chaplain Ted Asfaw of Shady Grove Adventist Hospital.

7
8 Chaplain Ted Asfaw,
9 Let us pray. As we posture for prayer, our Creator, Redeemer, and Sustainer we
10 acknowledge your presence and we ask that you give vision, leadership, and
11 understanding to your leaders as they serve your people and deliberate about the
12 business of the city. We ask all this in the name of God, in the name of Allah, in the
13 name of El Shaddai and the Lord, amen.

14
15 Council President Leventhal,
16 Amen, thank you very much. Ms. Lauer, are there any Agenda or Calendar changes?

17
18 Linda Lauer,
19 Yes, we have just one note. We have an additional sponsor on the resolution regarding
20 the Municipal Separate Storm Sewer System: National Pollutant Discharge Elimination
21 System Permit. Ms. Praisner has requested to be added as sponsor.

22
23 Council President Leventhal,
24 I had actually indicated to Mr. Perez that I also wanted to be a co-sponsor of that same
25 resolution.

26
27 Linda Lauer,
28 Thank you. We'll see to that. And we have no petitions today.

29
30 Council President Leventhal,
31 Thank you, Ms. Lauer, do we have Minutes for approval.

32
33 Council Clerk,
34 We have the Minutes of July 11th for approval.

35
36 Councilmember Andrews,
37 Move approval.

38
39 Councilmember Knapp,
40 Second.

41
42 Council President Leventhal,



July 25, 2006

1 Mr. Andrews has moved and Mr. Knapp has seconded approval of the Minutes for July
2 11th. Those in favor of approving the Minutes will signify by raising their hands. It is
3 unanimous among those present. Now before us is the Consent Calendar.

4
5 Councilmember Knapp,
6 Move approval.

7
8 Councilmember Floreen,
9 Second.

10
11 Council President Leventhal,
12 Mr. Knapp has moved and Ms. Floreen has seconded approval of the Consent
13 Calendar. Are there comments on the Consent Calendar? Mr. Perez.

14
15 Councilmember Perez,
16 Yes, Agenda Item, I think it is "A," which is the resolution co-sponsored by
17 Councilmembers Leventhal, Praisner, and myself. This relates to an ongoing dialogue
18 we've had with a number of community stakeholders regarding the Department of the
19 Environment, National Pollutant Discharge Elimination Permit for Montgomery County.
20 This is a five-year permit, which was renewed in 2001. It actually expired in July of this
21 year and in the T&E Committee we've had a number of conversations about how we
22 can use the permit process to leverage environmental stewardship in a number of areas
23 including total maximum daily loads, including encouraging low impact development,
24 and a number of other metrics by which we can address a number of critical
25 environmental factors. And so the resolution before us -- and I have again spoken with
26 Jim Caldwell over at the Department of the Environment, and we have spoken with
27 members of the community. And, again, the purpose of this resolution is to get a report
28 from the Department of Environmental Protection regarding a number of important
29 issues in this permit. Sometimes a permit comes by and you have a process and we, as
30 a result of the press of business we may not pay as much attention to that business as
31 we want. But certainly what the community educated me and my colleagues about was
32 that this permit presented a opportunity for us to again set the tone, not only here in the
33 county, but across the state in terms of environmental stewardship, and making sure
34 that we are doing our level best as a county to protect our water supply to ensure that
35 we're engaging in development methods that don't have the ancillary consequence of
36 degrading the quality of our streams and tributaries, et cetera. So the resolution is pretty
37 straightforward. I appreciate the lengthy input from the community and I appreciate
38 Councilmembers Praisner and Leventhal's co-sponsorship of this.

39
40 Council President Leventhal,
41 Thank you, Mr. Perez. I just want to say on these stormwater issues I know that all nine
42 members of the County Council increasingly recognize the urgency of these issues. I
43 thought, and of course we'll turn to this in a moment, but I thought it was very instructive
44 that a number of applicants for Planning Board Chair identified Stormwater



July 25, 2006

1 Management as the most critical environmental challenge facing us in the county. And
2 we saw at the time of the recent rain and floods and the risk of the breaching of Lake
3 Needwood Dam that we need to understand better what mechanisms we're using to
4 contain and clean up runoff. And so I believe -- I'm optimistic as to the passage of this
5 resolution and I believe it is one among many efforts in the budget. Of course, Mr.
6 Silverman and Ms. Floreen offered and the Council passed incentives for homeowners
7 and businesses to take steps to improve stormwater runoff and discharge. Ms. Floreen
8 has introduced legislation which I hope we will work on further and adopt during this
9 calendar year, which would address stormwater discharge and runoff from one adjacent
10 residential property to another. I've introduced Green Buildings legislation which include
11 among the criteria for being environmentally sustainable how stormwater is managed in
12 a building and on a property. There's a variety of ways in which we're going to continue
13 to learn about and address this problem. And this resolution is consistent with the
14 ongoing concern that I know this entire Council shares. And like you, Mr. Perez, I thank
15 the Stormwater Partners Coalition that has worked with all of us and met with all of us
16 and we want to continue working with them. These will not be a set of issues that we
17 can fix immediately but over time I think we will continue to be an environmental leader
18 here in Montgomery County. Mr. Andrews.

19
20 Councilmember Andrews,
21 Thank you, Mr. President. I'd like to thank the Stormwater Coalition as well, and thank
22 Mr. Perez for his initiative on this and be added as a co-sponsor.

23
24 Council President Leventhal,
25 Without objection Mr. Andrews will be added as a co-sponsor. If there are no further
26 comments on the Consent Calendar then those in favor of adopting the Consent
27 Calendar will signify by raising their hands. It is unanimous among those present. We
28 now turn to the appointment of a new Planning Board Chairman; the first item before us
29 is the establishment of the salary of the Planning Board Chairman. I will move that the
30 salary be established at \$150,000 per year.

31
32 Councilmember Perez,
33 Second.

34
35 Council President Leventhal,
36 The motion has been made and seconded. Is there discussion, Mr. Silverman?

37
38 Councilmember Silverman,
39 No.

40
41 Council President Leventhal,
42 No discussion on the motion made by the Council President and seconded by Mr. Perez
43 to establish the salary of the Planning Board Chairman at \$150,000 per year. Those in
44 favor of the motion will signify by raising their hands. It is unanimous among those



July 25, 2006

1 present. We now turn to the appointment of a member of the Maryland National Capital
2 Park and Planning Commission. Let me say that with respect to the process for
3 appointing a new Planning Board Chairman I believe this Council has achieved the
4 goals that I set for out for this process. Number one, we have had an extraordinarily
5 strong pool of applicants. Over the last few months there had been some concern given
6 the burden that this agency has been carrying, the enormous amount of scrutiny that
7 the agency has been under, and the question as to whether Chairman Berlage would
8 seek to stay as Chairman, there had been some question as to whether this position
9 would attract a strong field of applicants. Indeed, we did, an extraordinarily strong field,
10 accomplished people in many fields: a former Planning Board Chairman, a sitting
11 member of the Board of Appeals, a sitting member of the Planning Board, a number of
12 attorneys, people with extensive background in high level management, in federal
13 government, and in the private sector, people with extensive background in land use,
14 and many people with extensive background in civic affairs, and strong roots in this
15 communities. So we had a strong field. Let me secondly say how much I appreciate the
16 tenure and the deep love for this community exhibited by Planning Board Chairman
17 Derick Berlage. Derick is a man of integrity. Derick is someone who has given
18 everything he had to set the Planning Board on a good course, and I believe he leaves
19 the Chairmanship with the agency in very strong shape. And I know my colleagues will
20 join me in thanking him for his four-year term and wishing him well. I believe his future is
21 bright and great things lie ahead for Derick Berlage, and we're very, very grateful for his
22 service to this county. And I am going to place in nomination the name of Royce
23 Hanson to be Chairman of the Planning Board. I want to say this was not an easy
24 choice, because we had -- and I'm speaking only for myself -- every candidate was well
25 qualified. Every candidate made a strong case for themselves. We had, as I say,
26 candidates from a variety of backgrounds highly relevant to this position with deep roots
27 in this community. So, on the one hand I want to say this was not an easy choice. On
28 the other hand, I've now spoken with nearly all of my colleagues, and certainly we've
29 heard from hundreds of members of the community, and given his history, given the
30 national stature that he holds, given his -- the respect with which he is held among
31 planners and academics and community leaders. In fact, it was clear to me during the
32 interview process, much as I deeply appreciated the responses and the leadership
33 exhibited by other applicants, that Royce Hanson in a high class field, in a very strong
34 field. Royce Hanson, in fact, is the class of the field and so I will be voting for Royce. I
35 am placing his name in nomination. I have the highest regard for him. I've known him for
36 15 years; other members of this body have known him even longer. He has, in addition
37 to being Chair of the Planning Board, he has a long track record in civic affairs in
38 political affairs. I've worked with him in a number of important endeavors and I'm very
39 grateful for his willingness to come back and serve at this critical time for the Planning
40 Board and I have every confidence that the agency will be on track, that we will get, as
41 Royce assures us we will get, the kind of advice in which we can have confidence, the
42 kind of information in which we can have confidence. You know, sometimes -- there's a
43 cliché that everyone's mad at you, you must be doing something right. I'm never sure
44 that that cliché is correct. I do hear from civic activists that they believe the Planning



July 25, 2006

1 Board is too heavily tilted in favor of developers, and I do hear from developers that they
2 believe the Planning Board is too heavily tilted in favor of environmental protection and
3 against construction. I'm not sure that's a good thing. I think what we want is a public
4 agency that inspires confidence in all sides that decisions are being made fairly, that
5 constituents are being listened to, that decisions are being made promptly, that
6 questions are brought to a fair and prompt conclusion. And these are the things that I'm
7 looking for from the Planning Board. Not an agency that makes everyone mad, but a
8 public agency that inspires confidence in the public and that's my hope under Chairman
9 Hanson. And I again thank very, very much Chairman Berlage for steering the ship over
10 some rocky shores and amidst some troubled waters, but I believe that things are
11 settled down and again the public will be able to have confidence in this vitally important
12 agency. Is there a second?

13
14 Councilmember Praisner,
15 I'll second it.

16
17 Council President Leventhal,
18 The Council President has nominated, the Council Vice President has seconded the
19 nomination of Mr. Royce Hanson to be Chairman of the Planning Board. Vice President
20 Praisner.

21
22 Councilmember Praisner,
23 Thank you, Mr. Leventhal. Thank you for your leadership through this process. I think,
24 although there have been on occasion little bumps along the way, I think that the
25 Council -- you've laid out a clear process for the Council's consideration of this very
26 important position. You've provided ample time for interviews and discussion, you've
27 provided ample time for the community to weigh in, and this packet from Justina is a
28 slight reflection, not complete, of the comments we've received from the community.
29 The broader community and organizations as well. I've known Royce Hanson since the
30 '70s when he and I were engaged in some political activities together. And I admired
31 and respected him then and I continue to admire and respect him. That said, I also think
32 that we had a field of outstanding candidates, some of whom I hope -- or all of whom I
33 hope other than Mr. Hanson, will consider applying for the number of positions that we
34 will have in the future. I think the most significant issue for me as we have gone through
35 this process has been the institution of the Commission and the Planning Board in
36 Montgomery County. Providing support for that institution as it goes through, I think
37 what we all would admit has been a rocky time, and also providing some stronger level
38 of confidence for the broader community, that while there may be problems with
39 Planning, we can put the ship in order. And there is a lot that is very positive that is
40 going on down on Georgia Avenue in Silver Spring and elsewhere in this county. Mr.
41 Hanson has done remarkable things in Montgomery County over the years, and I think
42 he's the right person for this time for the Planning Commission given the challenges that
43 they have faced internally as well as externally. He has a breadth of experience and a
44 broad knowledge of Montgomery County and Planning in general. And I believe he has



July 25, 2006

1 a passion and a commitment and a love for this county shared by the other candidates
2 that we met with. I want to also note though, and make a comment about some things
3 that I have said to Mr. Hanson that I think as far as I'm concerned will be part of, I hope,
4 his work plan in the coming weeks, and I intend to assist him with that. We had a
5 chance to travel some of the roads and communities of the east side of the county
6 together, Mr. Hanson and I, the last few weeks. And I've pointed out to him what I think
7 are problems associated with past Planning in this county. And I would point to the 1980
8 Master Plan, and its less than adequate attention to existing communities while new
9 development occurred. Most of that obviously cannot be fixed once fixtures are in the
10 ground, but you can make some modifications. And certainly the most recent Master
11 Plan from the community engagement in the process that continues to this day, which I
12 think is a model for the rest of the county, and the Master Plan corrections of good
13 policies just in excess on the east side of the county are things that I hope Mr. Hanson
14 will keep in mind as he begins his second experience with Park and Planning in the new
15 century, so to speak, as opposed to the time period when he previously served. So I
16 hope those who are not successful will consider continued service to the county and
17 possible application for the future appointments. The four members of the Planning
18 Board -- not the Chairman -- will be leaving the Planning Board in the next few years.
19 Their terms end and it is their second term and they are not eligible for reappointment.
20 So there will be great opportunities to serve the county in the Planning and Parks
21 function. And I want to stress the Parks piece as well. So I am happy to second the
22 nomination of Royce Hanson and I look forward to working with him to continue to
23 improve what is a terrific county that can only get better. Thank you.

24
25 Council President Leventhal,
26 Mr. Silverman?

27
28 Councilmember Silverman,
29 Thank you, Mr. President. First of all, I want to thank you for your efforts in the past
30 several months to make sure this was a -- this is the new buzzword -- a "transparent
31 process" which I think is very important. The Planning Board's been under siege for the
32 last year, and I think it was very important for us to go through a process where there
33 was extensive opportunities for input from all segments of Montgomery County. And I
34 appreciate your efforts in making sure that happened and also in ensuring that we had
35 the appropriate amount of time to carefully evaluate a very good competent field of
36 applicants rather than being pressed to do it during the budget challenges of the spring.
37 Some people have suggested that we should wait on this appointment and I don't think
38 we can afford to wait. This is a Planning Board that I believe has lost confidence -- the
39 confidence of the Montgomery County public. And this effort today I think is another
40 step in the right direction to restoring confidence and faith in our Planning process and
41 in the Planning Board. There's certainly an element of "Back to the Future" here, that
42 we're getting a fresh face from the late '70s to come back and head up the agency. But
43 to use an analogy that I'm sure my colleague to the left of me would use...



July 25, 2006

1 Councilmember Subin,
2 Don't get raucous.

3
4 Councilmember Silverman,
5 No, I won't. ...sometimes you need a peacetime President and sometimes you need a
6 wartime President. In this case I think the Planning Board needs a wartime Chair. We
7 have instituted a whole host of reforms.

8
9 Council President Leventhal,
10 Could we have a peacetime President though, please?

11
12 Councilmember Silverman,
13 Yeah, I hope so, I hope so. This is a position that requires a very strong leader,
14 someone who not only has a vision for the county, but also,, more importantly, can
15 implement that vision and can restore morale and confidence in the Planning staff.
16 Never in the history of the Planning Board, I think, has there been -- have there been
17 questions raised about the process that's being used and the outcomes that are
18 occurring. And I think it is absolutely critical that we have a very strong, capable leader
19 who will correct the ship. Royce's reputation is absolutely impeccable. He's a coalition
20 builder. We've received, you know, dozens and dozens and dozens of e-mails on his
21 behalf. We've received others on behalf of other candidates, but it's clear that the folks
22 who have written to us come from all walks of life and all parts of the county, and that's
23 a very important thing for me because it is, in my decision-making it was critical that we
24 had someone that would have broad support throughout the community and Royce
25 Hanson clearly has that broad support. I also believed, I've said before and will continue
26 to say, that the Planning Board needed a new fresh face, an outsider as Chair. I have
27 great admiration for those that applied from the inside. I've been friends with John
28 Robinson, specifically, for 20 years and worked through the trials of tribulations of Silver
29 Spring and have great admiration for him, in particular. But I think this is a time for a
30 fresh start and Royce Hanson will be that person. I would also close by saying it's not
31 just about having someone who is a strong capable leader. They have to have vision for
32 where they want to take this county. And that vision, I think, has to be in sync with
33 where all of the rest of us are. Royce Hanson is a strong believer in transit, a strong
34 believer in protecting and preserving open space, and the Agricultural Reserve in
35 particular. He's a strong supporter of affordable and middle-class housing in this county,
36 and he has a lifetime of support for our Park system. Those are only four of the pieces
37 that make up, I think, the vision for Montgomery County that we all share, but those are
38 the critical issues that he will have to address -- he and his colleagues will have to
39 address at the Planning Board. So, I think it's a good package, someone who is a great
40 visionary, someone who has demonstrated leadership over his entire career, and
41 someone who can restore faith in our Planning system and in our Planning process.
42 And I'm proud to support him.

43
44 Council President Leventhal,



July 25, 2006

1 Mr. Subin.

2
3 Councilmember Subin,

4 Thank you, Mr. President. I make my remarks without prejudice to any single individual
5 who applied for this position. I think that,, as a whole, as a package, this was just an
6 extraordinary group, and frankly, I don't think I made my mind up until -- at least
7 consciously -- about 2:00 or 3:00 this morning. I do not agree with my friend and
8 colleagues, Steve Silverman, that now is a time for a wartime President. Having served
9 under both wartime Presidents and peacetime Presidents and been affected personally
10 by what they were doing, it's my sense that this is not the time for a wartime
11 President...or Chair. That this is the time for peacetime Chair, somebody who is capable
12 of coming in and sitting back totally unjaundiced as to the inner workings of the
13 organization. And look to see as a completely fresh face from the inside, what is
14 working and what is not working and do the tweaking that is necessary and do the
15 massive changes as may be necessary. That is not something that a wartime Chair or
16 President or commander would do. Although I do not disagree with Mr. Silverman, that
17 there is certainly a time and place for each. And so I start from the premise that
18 whoever comes in, in my view, and certainly there're both nine views and an institutional
19 view that would prevail here And I think that every one of them is going to be well-
20 founded. We need someone who knows the system, but has no preconceived notions
21 about what is going on in the system. And so I believe that David Gardner is a person
22 who should come in as Chair. Mr. Gardner has worked with the organization as a civic
23 leader and as an attorney representing individuals and groups affected by what has
24 been transpiring there and on the outside. He's a quite acutely aware, I believe, more
25 than any of the other applicants, of what the direct impacts to people, to groups, to
26 communities are, and for me that is extraordinary important. Dave Gardner is extremely
27 intelligent, extremely dedicated, he's extremely conscientious and aware of the policies
28 and procedures as they're affecting folks. And I believe that Dave, who is a very
29 thoughtful person, is more than capable and patient and able to sit back for some
30 degree of time, whether that is a week, a day, whether that is two weeks or a month to
31 assess the organization and to make whatever changes he believes are possible: I
32 continue on my colleague Steve Silverman's analogy by saying he would have the
33 luxury to do that, and the ability to just take a little bit of time rather than to go in and
34 make wholesale changes based on preconceived notions, which with those other
35 individuals, are probably legitimate. But I believe that it takes someone with the ability to
36 sit back, to access, and who is strong enough in character to then make those moves.
37 So I would nominate David Gardner.

38
39 Council President Leventhal,

40 I'm going to go ahead and allow Councilmembers who have waited to speak, to speak.
41 And then we will see whether there is a second for this other nomination that has been
42 made by Mr. Subin.

43
44 Councilmember Silverman,



July 25, 2006

1 You don't need a second.

2
3 Council President Leventhal,
4 Oh, no seconds. Okay. Fine. Ms. Floreen.

5
6 Councilmember Floreen,
7 Thank you, Mr. President. I am going to weigh in on behalf of Mr. Hanson. I think we are
8 indeed blessed to have a tremendous member of applicants that we had with great
9 experience and varied backgrounds and all of whom would bring tremendous resources
10 to the leadership of the Planning Board. But this -- and in a different year it would be a
11 different conversation, I think. But I think this year is quite unique. As everyone has said
12 the agency has gone through tremendous challenges. It will continue to go through
13 challenges. It's working through significant problems and I think they have made
14 remarkable progress. And for that, the Chair, Derick Berlage, and the staff that's been
15 brought on to focus on these things and deserve tremendous credit. But I do think it's
16 time for a change and I think that it's -- and I do think that it's time to go "Back To the
17 Future," and that is Royce Hanson. He brings the legacy of the past, years of
18 experience outside the county in dealing with different issues, different creative
19 solutions that other parts of the country have addressed, and is willing to serve to bring
20 all of that back to Park and Planning. I think he brings tremendous creativity and I think
21 he'll be a stabilizing force. And I think he'll be a visionary, based on his past 20 years of
22 service outside of Montgomery County. That is a richness that we need and that's a
23 richness that the Park and Planning Commission, I think, will benefit from tremendously.
24 I think he's one of the few people out there who can work with every single stakeholder
25 to find solutions to problems. And the range of community with support from the building
26 industry, the environmental groups, the agricultural environment warming up, and the
27 civic group has been remarkable, and I think pretty unprecedented. So I'm pleased to
28 support Royce. He's not your father's Oldsmobile, he's your father's Rolls-Royce.

29
30 Councilmember Silverman,
31 Ooh, sweet.

32
33 Council President Leventhal,
34 Mr. Denis?

35
36 Councilmember Denis,
37 Thank you, thank you, Mr. President.

38
39 [LAUGHTER]

40
41 Councilmember Denis,
42 Thank you, Mr. President. What Montgomery County needs is a Planning Board Chair
43 who can lead us in peace and war as circumstances merit. That person is Royce
44 Hanson. If you get on Metro's Red Line and go northwest out of Bethesda and you



July 25, 2006

1 leave the Medical Station, you start to soar like a flying buttress on a Gothic church and
2 then you come gently -- fortunately gently -- down to earth, go below ground again, and
3 then rise below grade exposed to the elements, and then rise again to grade level and
4 proceed unvexed to Shady Grove. Today, we can only marvel at how that was done.
5 The controversy, the opposition, the leadership, the meetings, the studies. And Royce
6 Hanson was there. At New Year's my wife Babette and I went to Vienna -- not Vienna,
7 Northern Virginia, although I have been there many times, it's a great city -- but Vienna,
8 Austria. And there I saw and experienced one of the most remarkable land use and
9 transportation projects in the world. It's called a "Ringstrasse" It's basically a light-rail
10 system that goes around the city. And it was constructed by the Emperor Franz Joseph
11 in the latter part of the 19th century; the last of the Hapsburg emperors. Who tore down
12 the defensive wall that had defended Vienna from the Turks centuries before and had
13 outlived its function. And in its place he constructed this system that exists to this day.
14 So the question for us and all major communities is this, particularly we in the
15 Washington region, do you need an emperor to do a project like that? And the answer is
16 no, you don't, because we've done projects like that. We have had strong leadership
17 respecting democratic norms. And we had that particular piece and other similar
18 projects, the Capital Beltway and the Metro System, thanks to Royce Hanson... and I
19 must say Norman Christeller as well, a blessed memory. When was in the State Senate
20 and I would go around on fact-finding missions, there were many facts I wanted to find
21 and I went many places to try to find them, and wherever I went on a lot of the
22 conferences, there was Royce Hanson...on panels, talking about land use. A nationally-
23 recognized expert talking about Montgomery County and what we were doing here.
24 Those were the glory years. And I want those glory years to return. And I believe they
25 can with Royce Hanson. The Agricultural Reserve, Transferable Development Rights,
26 Moderately-Priced Dwelling Units. All of the programs that we've innovated here and
27 which have been national and indeed international role models, Royce Hanson has
28 shown that he can work in a nonpartisan way. I noticed on his resume which reads like
29 the institutional memory of so much of Montgomery County history, he worked on the
30 judicial campaign of Plummer Shearin; a great judge. And, of course, our elections are
31 basically nonpartisan for our judicial campaigns. He also was a leader on the Maryland
32 Committee for Fair Representation, showing that Royce Hanson can work in a
33 bipartisan way. That was the group that helped to implement our legislative Districts in
34 the wake of the Supreme Court's one-person, one-vote decision, Baker versus Carr. For
35 me, there is a bit of irony here as well, because when I first got into this, Royce Hanson
36 was also running for Congress against two of the people who I happen to be working
37 with at the time that he was running for Congress. Senator Charles "McC" Mathias, who
38 was a member of Congress from Montgomery County then, and Gilbert Goudy. And so,
39 at that time, I guess in the category of "If you live long enough, you'll hear anything," but
40 I never thought then that I would be saying what I'm about to say now. That is this: I
41 intend to vote for Royce Hanson.

42
43 [LAUGHTER]
44



July 25, 2006

1 Council President Leventhal,
2 Mr. Andrews.

3
4 Councilmember Andrews,

5 Thank you, Mr. President. We had an outstanding field of candidates and I think that
6 Royce Hanson rose to the top of the field. But I do think that we would benefit by having
7 a number of the candidates who competed for the position apply for the openings that
8 will come up for other positions on the Planning Board in the next year. I think you could
9 select a very good Planning Board from the candidates that we had. Royce Hanson is
10 going to hit the ground running and he is going to do many, many good things at the
11 Planning Board, but he's going to hit the Planning Board running with two hands tied
12 behind his back. What he can do and what he can't do, I think it's important to focus on.
13 He can restore the morale of the staff at the Planning Board. He can ensure that
14 outstanding new people are picked to join the Planning Board. He can recommend to
15 the Council sound growth policies... but he can't change what the Council does. And
16 he's operating -- he's hitting the ground running with two hands tied behind his back,
17 because the majority of the Council implemented policies in the past three years have
18 taken the brakes off development, transferred costs from developers to taxpayers, and
19 approved a growth rate that will be unsustainable. The majority of the Council also
20 eliminated a Policy Area Traffic Test, one of the two major traffic tests we had for
21 development in 2003, on a 5-4 vote. Royce Hanson can't change those things. He can
22 advise us to change them, but only the Council can change them. And so if voters are
23 sick of traffic, they should thank this Council majority and demand that the next Council
24 restore the policies that were in place when this Council took office. Number one:
25 restoring the Policy Area Traffic Tests for developments to outside the immediate area.
26 Restoring a balanced policy of adding jobs and housing, rather than a policy that we
27 have now, adopted in June of 2004, of adding jobs faster than housing, which worsens
28 rush hour congestion, pushing up housing prices and which is, in my view, indefensible.
29 And that the Council adopt a rate of growth unlike the current one -- which will add a
30 population the size of Rockville every four years to the county, which is unsustainable --
31 a growth rate that is sustainable, that does not occur at a rate faster than our roads and
32 schools can keep up. The Planning Board advised us against all of those policies. The
33 Planning Board didn't support the policies that the Council majority adopted. And I doubt
34 that Royce Hanson would have supported those policies and I'm quite confident he
35 wouldn't have endorsed what the Council did. But he can't reverse it. He can do great
36 things at the Planning Board, he will do great things at the Planning Board, in my
37 opinion, but he can't work -- he can't change the Council. The Council needs to reverse
38 these policies. And Royce Hanson's appointment, I believe, is necessary to restore the
39 standing of the Planning Board, if it's not sufficient to get a handle on controlling growth.

40
41 Council President Leventhal,
42 Mr. Perez.

43
44 Councilmember Perez,



July 25, 2006

1 Thank you, Mr. President. I do want to reiterate the thanks other people have given to
2 you for your stewardship of this process. It was a very difficult period of time and I
3 thought you did an excellent job. I wanted to thank you. I also want to thank the Civic
4 Federation for their input. I read their letter with great interest, I read all the missives
5 that we got from people but I thought it was -- the input from the public was very, very
6 useful, informative, and certainly had a very profound impact on my decision-making. I
7 also find myself thinking a lot about my good friend Derick Berlage, who has given me --
8 has always been an honest broker. Whenever he has given me advice on issues related
9 to land use, I've always asked him "Well, what would your -- if there were an adversary
10 in the room, what would their best argument be?" He would also put that forth so I had
11 an entire array of viewpoints from which to -- to make a judgment. And I really
12 appreciated his breadth and depth of knowledge, his willingness to present alternative
13 points of view, and his commitment to smart growth. And I find myself parroting a lot of
14 what he said about smart growth being the courage to say yes to development in areas
15 where we've the infrastructure and the courage to say no to sprawl development in
16 areas where we don't have the infrastructure. And I come to this day with some degree
17 of trepidation because I'm more than slightly concerned the selection of a new Planning
18 Board Chair will give rise to a erroneous line of thinking that we've fixed the problem,
19 we've changed the Planning Board Chair. We're all part of the problem and part of the
20 solution, and I include myself in that statement. It's meant to -- we're very proud of the
21 fact that the County Council is the primary County Land Use Agent, that land use is the
22 bread and butter of County government here in Montgomery County. So we can't on
23 one level say that the buck stops here, and then on the other level say that we've fixed
24 the problem, we've changed Planning Board Chairs. We need to simultaneously, again,
25 look ourselves in the mirror and commit to what reforms we will be doing in the month
26 and years ahead. One reform that I would strongly urge and it requires an act in
27 Annapolis is to change the effective date of the appointment of the Planning Board
28 Chair. Whoever suggested the Planning Board Chair's term should expire in June of an
29 election year needs to have his or her head examined! This process is difficult enough
30 to begin with, and the political overlay of an election year has made it even tougher to
31 maneuver down the path of truly going in what is the public interest. And I would
32 strongly urge us as we identify our agenda for Annapolis to have a local bill for
33 Montgomery County that will change the effective date of the term of Planning Board
34 Chair so that it expires -- it would be, perhaps January or February of 2011, instead of
35 June of 2010. Because I do not believe the public interest is served when a County
36 Council in an election year has to make this judgment. This is the most important
37 appointment, arguably, that the County Council should make. And a new Council
38 should, frankly, be the Council that appoints the Planning Board Chair. So that they're
39 the one going to be the one the Chair is accountable to and reporting to and that should
40 be the entity that makes the choice. So, I hope that that bill will be adopted, because it
41 would be -- I would be lying to suggest that the process was easier by virtue of the fact
42 that the term of the Planning Board Chair expired roughly 90 days prior to a primary
43 election. I asked, when I was Council President, Royce Hanson to advise the Council as
44 we implemented a series of changes in response to the series of incidents in



July 25, 2006

1 Clarksburg. And I appreciated his competence then, I appreciate Royce's competence
2 now. I certainly appreciate the competence of all the applicants. I know some better
3 than others. My friend, Alan Bowser, I see in the audience, a serial activist in Silver
4 Spring, a man of immense competence. And I hope, Alan, you apply next year, because
5 there are two openings, if I understand the math, next year. And I am absolutely certain
6 that you would be an exceedingly competitive applicant were you to apply. I also hope
7 that Royce will initiate a conversation with people in the farming community, because I
8 got a lot of feedback from them expressing concern. I suspect that my good friend from
9 District Two got even more feedback on that score. And it appears there might be
10 bridges to build and fences to mend and listening to be conducted. I am confident
11 Royce will do that, but I heard heartfelt comments from people I respect, like Pam Saul,
12 whose farm I walked and whose judgment I trust, and I hope that Royce will
13 affirmatively reach out to people in the farming community to address the concerns they
14 have regarding issues that affect the Ag Reserve. I am confident Royce will. I think we
15 will measure in part his success by his own capacity for growth and to listen. Dick
16 Vermeil came back and won a Super Bowl. Marv Levy came back and will lead the
17 Buffalo Bills. He will lead them to a Super Bowl as general manager. Joe Torre, Frank
18 Robinson came back after a sustained absence, and Royce Hanson can come back. I
19 will not mention Donald Rumsfeld who came back after a sustained absence. There are
20 good examples and bad examples, and I will simply focus on the good examples. I
21 thank all the people who applied. And I do look forward as a Council to continuing to
22 shine a light on ourselves in the effort to ensure that we restore public confidence in the
23 Planning process, because we must shine a light on ourselves if we're to fully succeed
24 in that very critical endeavor.

25
26 Council President Leventhal,
27 Mr. Knapp.

28
29 Councilmember Knapp,
30 Thank you, Mr. President. Appreciate it, and also add my voice to those who thanked
31 you for the efforts in getting us through this over the course of the last six months. And I
32 thank my colleagues because I think that depending on various people's perspective out
33 there we're accused of many things, often. And I think that everyone took great time and
34 care and interest in trying to decide the best candidate for this position, and I think it
35 took a great amount of time and I thank everyone for doing that. I also thank everyone
36 who had applied. I think we had a very diverse applicant pool, breadth of background
37 and experience. And also I add my voice to those urging people to continue to not see
38 this as the end of the application process, but hopefully the beginning because there
39 were some very, very talented people. And I thank the civic community, the business
40 community and the agricultural community, because I know everyone worked very hard
41 at coming up with criteria, I think, that were important to their various interests, but also
42 to the county as a whole. Rather than focusing on individuals, focus on what were the
43 concepts and principles that needed to be embodied in the next Planning Board Chair. I
44 thank everyone for taking the time to develop the principles, meet with the applicants



July 25, 2006

1 and candidates and share that information with us and the broader community because
2 I think it was helpful for us all to make an informed decision. The other end of the dais
3 certainly referenced "War and Peace" quite frequently. I think a more apt novel may
4 have been "A Tale of Two Cities" in that "It was the best of times, it was the worst of
5 times"...

6
7 [LAUGHTER]

8
9 Multiple Speakers,
10 [INAUDIBLE]

11
12 Councilmember Knapp,
13 That's right. I think the Planning Board and the county have gone through a very difficult
14 18 months, and I think there is much work to be done to mend fences and re-establish
15 credibility. That being said, we live in a phenomenal community, we have outstanding
16 public servants, we have a dedicated civic community. Everyone is committed to
17 continuing to focus on how do we build on what has made this community successful so
18 far and to make it better. While I think there're many things needing to be fixed, I think
19 we need to recognize we're building on a solid foundation. So, I think as with any
20 organization, it's important sometimes to be shaken up a little bit, to kind of force you to
21 go back and refocus on what is important and where you hope to go as an organization.
22 And I think the Planning Board right now is at that crossroad. And I think that, on the
23 positive side, as I've said during a number of our conversations with the Planning Board,
24 as we've addressed the Clarksburg issue, now is a good time to make sure you have all
25 of those things on the table. All of those things you may not be excited about. All those
26 difficulties, all the things you would like to improve upon. You have a chance to make
27 sure to do that, you're not saddled with undo expectations and it's a good time to say
28 where do we go next. Again, building on a foundation from the past, and I think that is
29 what makes Royce Hanson a strong -- probably the strongest candidate that we could
30 identify in this instance because he both has that foundation and the breadth of
31 experience from the past, but, as a number of my colleagues have referenced, has
32 done any number of things, focused not necessarily on Montgomery County, but seen
33 as a leader nationally and internationally as Planning. And can bring what we've done
34 here and join that with what others have done in other places and think that's important
35 for us as we look to move forward. One of the things that really struck me during the
36 interview process and just in the conversation I have had with Royce, whom I have a
37 pleasure to represent as his District Councilmember, he lives in Montgomery Village, is
38 that he is very focused here in the county, but also cognizant of the fact that we're one
39 piece in the broader region, and recognizes that we need to have that conversation, too.
40 How do we interact with our neighbors across the river, how do we interact with the
41 other jurisdictions in the state of Maryland, and that's a conversation we need to have. I
42 was very impressed with his focus on agriculture, as Mr. Perez indicated. I have had a
43 number of conversations with the agricultural community, who have had concerns about
44 viewpoints that have been expressed the last few years by Mr. Hanson. But, to his



July 25, 2006

1 credit, the meetings have already been begun to bridge -- mend any fences that may
2 have been needed to be mended. And more importantly, I think that what Royce will do
3 is force us to have -- I think the conversations that are difficult. My seat mate, Mr.
4 Andrews, and I disagree on perhaps some of the root causes out there in the world, but
5 I think we will agree that at this state of our county's development, there're very few
6 easy answers. And I think what Mr. Hanson will do is to put all of those pieces in front of
7 us and force us to have a broader conversation. As Mr. Perez indicated, the decision
8 ultimately rests with us at the County Council and it's important for us to make sure we
9 have as much information as possible to make the best decision for those folks we
10 represent. And I think as Planning Board Chair, he will work to make sure we have all of
11 those pieces. Some of us may like what we see, some of us may not like what we see,
12 but he'll make sure it's in front of us to make the best decision possible. I think he's
13 already begun that, listening, leading, reaching out, and I have been impressed the last
14 few weeks, the number of people he's have had conversations with. And I am pleased
15 to lend my support to Mr. Hanson and I look forward with the rest of my colleagues and
16 hopefully working with him in the coming years to make sure we build upon a strong
17 foundation and make what is a great community an even better community.

18
19 Council President Leventhal,

20 I thank my colleagues for their comments. We will vote on the two nominated applicants
21 in alphabetical order. First before the Council Mr. David Gardner has been nominated.
22 Those in favor of Mr. Gardner will signify by raising their hands. It is Mr. Subin. Next is
23 Mr. Royce Hanson. Those in favor of Mr. Hanson will signify by raising their hands. It's
24 Mr. Knapp, Mr. Andrews, Mr. Perez, Ms. Praisner, Mr. Denis, Ms. Floreen, Mr.
25 Silverman, and myself.

26
27 Councilmember Subin,
28 Move for unanimity.

29
30 Council President Leventhal,

31 There is a move that the nomination be made by acclamation, made by Mr. Subin,
32 seconded by Mr. Perez. Those in favor of Royce Hanson as Chairman of the Planning
33 Board will signify by raising their hands. And Royce Hanson is unanimously appointed
34 Chairman of the Montgomery County Planning Board -- excuse me, a member of the
35 Montgomery County Planning Board. We now need a separate motion nominating the
36 Chairman of the Planning Board.

37
38 Councilmember Praisner,
39 I'll move.

40
41 Council President Leventhal,

42 That has been moved by Ms. Praisner, seconded by Mr. Knapp. Those in favor of
43 making new Planning Board member Hanson Chairman of the Planning Board will
44 signify by raising their hands. It's unanimous. Next before the Council is the report,



July 25, 2006

1 we've had the report of the Charter Review Commission. We will take up this matter
2 with help from Mr. Faden. We have Mr. Faden's memo, which I was just looking
3 at...somewhere in my pile. Mr. Faden, why don't you please -- yes, thank you. Would
4 you walk us through the decisions now before the Council regarding Charter
5 Amendments. Mr. Faden.

6
7 Mike Faden,

8 Yes, you have two resolutions in the packet. The first one is the resolution to actually
9 put proposed Charter Amendment and the ballot language for them on the ballot. The
10 two resolutions -- the two amendments in here for to you decide whether you want to
11 put on the ballot are the two recommended by the Charter Review Commission. We
12 have heard no others proposed at this point. The first one of those two affects the
13 compensation of Councilmembers and basically states the intent of the Council that
14 membership on the Council be considered a full-time position for purposes of
15 determining of compensation. We have just been passed around a memo from Mr.
16 Weinman received this morning suggesting a potential wording change in that
17 amendment which we, as staff, don't recommend.

18
19 Council President Leventhal,

20 Okay, if you want to take a moment, I'm seeing this message from Mr. Weinman for the
21 first time.

22
23 Mike Faden,

24 Yes, we just got it this morning.

25
26 Council President Leventhal,

27 The Councilmembers and I will take a moment to look at it. And explain to us, Mr.
28 Faden, the Ficker amendment. What is the decision before the Council on that?

29
30 Mike Faden,

31 Yes -- the Ficker amendment that we know of, and the bad news is there may be still
32 another one out there that we're not sure of... The one we know of would amend the
33 property tax cap to require a unanimous Council vote to override it. It's a petition that
34 we're aware is being circulated. We believe, although we're not 100% sure, the text of
35 the petition is what's in here. What we're recommending is that if the petition qualifies
36 for the ballot that you adopt the wording attached that will let you avoid having to come
37 in in a Special Session in August, if this petition is filed by the deadline and does qualify.
38 So this is a conditional approval of the ballot language which -- you have done is for
39 similar amendments in the past.

40
41 Council President Leventhal,

42 And if another petition qualifies, we would know that on what date?

43
44 Mike Faden,



July 25, 2006

1 We would know, at the latest, on August 14th, I believe, the second Monday in August.

2
3 Council President Leventhal,
4 And the Special Session would be required.

5
6 Mike Faden,
7 A Special Session would be required. If we can find out between now and next
8 Tuesday, August 1st, that that's the case, we can bring you an amendment to this
9 resolution to take care of it at that point in a similar fashion.

10
11 Council President Leventhal,
12 Well, unlike in previous years, I strongly suspect that a quorum of Councilmembers will
13 be in town in the middle of August this year. I think this is less of a problem than it has
14 been in prior years. Okay, well, Ms. Praisner, do you have a motion?

15
16 Councilmember Praisner,
17 Yes, I was going to move the two amendments as recommended by the Charter Review
18 Commission and also the staff recommendation; do it as one motion. The staff
19 recommendation for the possible additional Charter Amendment, should the appropriate
20 number of signatures be made available. And I wanted to comment on Mr. Weinman's
21 comments.

22
23 Council President Leventhal,
24 Okay, I will second Ms. Praisner's motion. Ms. Praisner, you have the floor.

25
26 Councilmember Praisner,
27 Yeah, I think we've had this discussion already, so unless there is a question for the
28 Charter Review Commission, I think this is pretty straightforward. These are the
29 recommendations from our Commission. They are, in essence, housekeeping in nature.
30 One comes out of the Compensation Committee's recommendations that when they do
31 their work to consider appropriate salaries for Council the issue of whether the Council
32 should be considered for compensation purposes full-time or not is something that they
33 felt was absent from the Charter and needed to be included. I would just make the note,
34 the comment that I made earlier. We're amending the section on compensation. We're
35 not amending the section that talks about the Council, in essence, from a standpoint of
36 its composition or structure or requirements. We're only talking about the section on
37 compensation, which right now speaks to how that compensation change is made and
38 the fact that the Council cannot change its own compensation. It's only changing for a
39 future Council and just amends that section to speak to guidance on the level of
40 compensation. I do not believe Mr. Weinman's language. I agree with staff helps. In fact
41 it confuses it more, I think, by having language that is saying it shall be considered a
42 full-time position. And given proper consideration when determining the level of
43 compensation is a 2-prong thing. When, in fact, the Charter Review Commission is only
44 talking about one piece and that piece is the compensation. To leave the language as a



July 25, 2006

1 full-time position begs -- adds more complications, I think. So I think Mr. Weinman's
2 language -- while I appreciate his engagement, is not a good idea and, in fact, is
3 incorrect from the standpoint of the compensation piece that they are changing. The
4 second question he has is on the other issue in Section 305. And I just want -- he's
5 suggesting a change to existing language or raising a question of that existing language
6 relative to the Consumer Price Index. And I think to answer his question as to what
7 successor index would be used, that is a function of the legal determining as, I believe,
8 that we would make and it allows the Charter to have the flexibility to change that by law
9 as CIPs may change as far as the standard is concerned. I don't have any problem. I
10 think if Mr. Faden wants to comment further, but my understanding is that is pretty
11 standard language, and would be.

12
13 Council President Leventhal,
14 I don't -- Mr. Faden, I don't think there's a need for comment. I agree with Ms. Praisner's
15 comment.

16
17 Councilmember Praisner,
18 The other question is one of Mr. Ficker's possible amendment and I think it's
19 appropriate if we know what it might be for us to be able to do this now, as opposed to
20 having a special meeting just for the sake of that. If we get official additional petitions,
21 we would then have to have that special meeting.

22
23 Council President Leventhal,
24 Ms. Floreen.

25
26 Councilmember Floreen,
27 Thank you, Mr. President. I want to request -- can we bifurcate the motion?

28
29 Council President Leventhal,
30 It's in order to request a division, yes.

31
32 Councilmember Floreen,
33 If we could. To isolate out the first item and address the others collectively.

34
35 Council President Leventhal,
36 It's in order and doesn't require a second. Is that all?

37
38 Councilmember Floreen,
39 Yes.

40
41 Council President Leventhal,
42 Okay, Mr. Silverman.

43
44 Councilmember Silverman,



July 25, 2006

1 Oh, no. I'm sorry.

2
3 Council President Leventhal,

4 We will take each question separately. The first is proposed Question "A" as
5 recommended by the Charter Review Commission. Those in favor of placing proposed
6 Question "A" on the ballot as recommended by the Charter Review Commission. And
7 let me thank, before we vote, the Charter Chairman, Ken Muir and its Vice Chairman,
8 Barbara Hawk, for their good advice and lengthy efforts over many years, both of these
9 questions now before the Council were recommended two years ago as well, and the
10 Council chose not to act at that time. Again, the question now before the Council is
11 Question "A." Those in favor of adding proposed Question "A" to the ballot will signify by
12 raising their hands. It is Mr. Knapp, Mr. Andrews, Mr. Perez, Ms. Praisner, Mr. Denis,
13 and myself. Those opposed to adding Question "A" to the ballot will signify by raising
14 their hands. It is Ms. Floreen, Mr. Subin, and Mr. Silverman. The vote is 6-3. Those in
15 favor of adding Question "B" -- proposed Question "B" to the ballot signify by raising
16 their hands. It's unanimous. And those in favor conditionally of approving Question "C"
17 to the ballot should the appropriate number of signatures be duly filed with the Board of
18 Elections will signify by raising their hands. It's unanimous. And that concludes this
19 agenda item. Thank you again to the Charter Review Commission. Mr. Faden.

20
21 Mike Faden,

22 There is a second resolution which state law requires which essentially duplicates the
23 first resolution. Well, it says that if the petition being circulated, if it gets the required
24 number of signatures and otherwise qualifies, does qualify. This is something -- a
25 redundancy the state law requires. You did this two years ago. It just requires a
26 separate hand vote.

27
28 Council President Leventhal,

29 Okay, we need -- will someone please move the redundant motion.

30
31 Councilmember Praisner,

32 I will move the redundant motion.

33
34 Council President Leventhal,

35 Ms. Praisner moved and the Council President is seconding the redundant motion.
36 Those in favor will signify by raising their hands. It's unanimous.

37
38 Councilmember Praisner,

39 We'll vote redundantly, too.

40
41 Council President Leventhal,

42 Okay, thank you. Crowded with paper. I've got it. Thank you. Thank you. And so, we are
43 half an hour ahead of the schedule and we're in District Council session. We have a



July 25, 2006

1 resolution to extend the time until October 11th for Council action on the Shady Grove
2 Sectional Map Amendment. Can I get a motion?

3
4 Councilmember Praisner,
5 So moved.

6
7 Council President Leventhal,
8 Ms. Praisner moved and Ms. Floreen has seconded the resolution to extend time on the
9 Shady Grove Sectional Map Amendment. There is no discussion on the matter. Those
10 in favor of extending the time will signify by raising their hands. It's unanimous. Now
11 before the Council is Zoning Text Amendment 06-17: Accessibility Improvement -
12 Exemption. The PHED Committee recommends approval. Chairman Silverman.

13
14 Councilmember Silverman,
15 Thank you, Mr. President. The Committee unanimously recommends the Zoning Text
16 Amendment be approved as introduced. The exception from the setback and lot
17 coverage standards for accessibility improvements not exceeding the minimum building
18 code requirements is in the general interest of the County and creates a balance
19 between increased accessibility and the desire to maintain zoning standards. This will
20 allow the construction of specified accessibility features that make a one-family house
21 more accessible to people with mobility disabilities. There's a new definition for
22 accessibility improvement to one-family dwellings and there is an exemption from the
23 setback and coverage lot limits if the improvement doesn't exceed the minimum design
24 improvement specifications. The specifics are...

25
26 Mike Faden,
27 Circle 3.

28
29 Councilmember Silverman,
30 I was getting there. Circle 3, which basically say an unroofed and open structure
31 including a ramp and chair lift allowing a person with a physical disability access to a
32 one-family dwelling, and is exterior to the one-family dwelling will be exempt. And this is
33 a small, but needed, step in continuing an effort to make sure there is more accessibility
34 options for folks who shouldn't, frankly, have to go through the time-consuming and
35 occasionally costly variance process through the Board of Appeals. And that is why the
36 Committee unanimously supported it.

37
38 Council President Leventhal,
39 Excellent. There is no further discussion on the Zoning Text Amendment, 06-17. The
40 clerk will call the roll.

41
42 Council Clerk,
43 Mr. Denis.



July 25, 2006

1 Councilmember Denis,
2 Yes.
3
4 Council Clerk,
5 Ms. Floreen.
6
7 Councilmember Floreen,
8 Yes.
9
10 Council Clerk,
11 Mr. Subin
12
13 Councilmember Subin,
14 Abstain.
15
16 Council Clerk,
17 Mr. Silverman.
18
19 Councilmember Silverman,
20 Yes.
21
22 Council Clerk,
23 Mr. Knapp.
24
25 Councilmember Knapp,
26 Yes.
27
28 Council Clerk,
29 Mr. Andrews.
30
31 Councilmember Andrews,
32 Yes.
33
34 Council Clerk,
35 Mr. Perez.
36
37 Councilmember Perez,
38 Yes.
39
40 Council Clerk,
41 Ms. Praisner.
42
43 Councilmember Praisner,
44 Yes.



July 25, 2006

Council Clerk,
Mr. Leventhal.

Council President Leventhal,
Yes. Zoning Text Amendment 06-17 passes by a vote of 8-0-1. We now have the
Hearing Examiner's report on Application G-819 from Hampden Lane LLC. Ms. Carrier.

Francoise Carrier,
Good morning. This case comes to you after a remand, as I expect the Council is
aware, and comes to you with recommendations for approval from myself and technical
staff, and the Planning Board as well, although the Planning Board's recommendation
on this go 'round was taken in the context of the financial feasibility review with the
Alternative Review Committee.

Council President Leventhal,
Okay. Do we have a motion?

Councilmember Denis,
I so move.

Council President Leventhal,
Mr. Denis has moved and Mr. Perez has seconded the recommendation of the Hearing
Examiner on Application Number G-819. And...Ms. Praisner.

Councilmember Praisner,
I just wanted to -- on page 76 of the packet there is a reference to a noting and Part
something, but you didn't include that.

Francoise Carrier,
Yes, I think we issued a errata statement, but perhaps we didn't manage to put that in
the packet. Yes, it was a reference to Part 2-E, I believe. There is a statement -- let me
make sure I'm doing the right one. Yeah, on Circle 37 I had noted that we -- the textual
binding elements on this development plan require the substantial compliance with
specific numerical setbacks which could be viewed as constraining the Planning Board's
discretion to set the height at site plan, which is a duty allocated to it under the zoning
ordinance. What I noted on Circle 37 is that the Planning Boards can still impose it at a
lower height, if they feel that's called for. They just need to require reducing the number
of units, rather than making dramatic changes in the setback. So they can still do it
without the need for a Development Plan Amendment.

Councilmember Praisner,



July 25, 2006

1 The other comment that I had is the chart on Circle 84 which shows the development
2 standards and then shows what is permitted or required, and what is proposed. I have a
3 suggestion for the future.

4
5 Francoise Carrier,
6 Sure.

7
8 Councilmember Praisner,
9 I would really appreciate, and it's somewhat consistent with comments I recall
10 associated with Planning Board charts during Clarksburg discussions. It would be
11 important, I think, to know which ones are required and which ones are permitted in that
12 list. To lump the two together does not tell us which ones are -- which carry more
13 strength and force than a permitted kind of issue.

14
15 Francoise Carrier,
16 In fact, these are all required.

17
18 Councilmember Praisner,
19 All right, well that's why -- then it is the heading from the Planning Board's headings...

20
21 Francoise Carrier,
22 So perhaps we should just get rid of the word "Permitted."

23
24 Councilmember Praisner,
25 ...which are old forms that they continue to use, which are not -- Planning staff forms
26 that they continue to use which are not helpful, in my view, when they lump things
27 together and are not clear enough. So if they're all required then the chart should say
28 required...

29
30 Francoise Carrier,
31 Okay.

32
33 Councilmember Praisner,
34 ...rather than Permitted/Required.

35
36 Francoise Carrier,
37 Okay. Absolutely.

38
39 Councilmember Praisner,
40 This is the first time that I can recall having the comments of the ARC as a compelling
41 piece of the argument. And I think -- as I recall the creation of the ARC, relative to
42 environmental issues, I think, separate from this issue, I would hope that we can have
43 some conversation about the criterion process of the ARC, aside from this issue. Not



July 25, 2006

1 with the hearing examiner but with the Planning Board and staff and with HOC and Ms.
2 Davidson.

3
4 Francoise Carrier,
5 They did submit a memorandum, one from ARC and then a briefer one from the
6 Planning Board. The one from ARC does outline the steps they took. That's set forth in
7 the public record if anyone cares to see that.

8
9 Councilmember Praisner,
10 I just think it would be helpful. It's clear from the legislation that the Council has adopted
11 a policy that allows height, even in a restricted Master Plan area to go higher than the
12 restriction if an MPDU is, as I recall, an MPDU as we change the legislation. It would, I
13 think, we need to have a follow-up conversation on the broader issues of the ARC, I
14 believe. And there is one other comment. Circle 88. There is a typo on page -- Circle 88
15 in the end of the first paragraph, where I think -- "Specifically recommended that the
16 District Council approve the proposed Development Plan," not "approved."

17
18 Francoise Carrier,
19 You have a sharp eye.

20
21 Councilmember Praisner,
22 Okay, thank you.

23
24 Council President Leventhal,
25 Okay, there're no other Councilmembers seeking to make comments, the Local Map
26 Amendment Application number G-819 is now before the Council. The clerk will call the
27 role.

28
29 Council Clerk,
30 Mr. Denis.

31
32 Councilmember Denis,
33 Yes.

34
35 Council Clerk,
36 Ms. Floreen.

37
38 Councilmember Floreen,
39 Yes.

40
41 Council Clerk,
42 Mr. Subin.

43
44 Councilmember Subin,



July 25, 2006

1 Yes.
2
3 Council Clerk,
4 Mr. Silverman.
5
6 Councilmember Silverman,
7 Yes.
8
9 Council Clerk,
10 Mr. Knapp.
11
12 Councilmember Knapp,
13 Yes.
14
15 Council Clerk,
16 Mr. Andrews.
17
18 Councilmember Andrews,
19 Yeah.
20
21 Council Clerk,
22 Mr. Perez.
23
24 Councilmember Perez,
25 Yes.
26
27 Council Clerk,
28 Ms. Praisner.
29
30 Councilmember Praisner,
31 Yes.
32
33 Council Clerk,
34 Mr. Leventhal.
35
36 Council President Leventhal,
37 Yes. It's unanimous. Okay, at this point, we're going to move into Legislative Session.
38 We will take up the reorganization plan for the Office of the Board of License
39 Commissioners at 11:00, which is when it was scheduled. I expect there are some folks
40 coming over to be present for that discussion who didn't expect us to be ahead of
41 schedule. Do we have a Legislative Journal for approval?
42
43 Council Clerk,
44 We have the Legislative Journal of July 11th.



July 25, 2006

Councilmember Praisner,
Move approval.

Council President Leventhal,
Ms. Praisner has moved and Mr. Knapp has seconded approval of the Legislative Journal for July 11th. Those in favor will signify by raising their hands. It's unanimous. We have a couple of bills for introduction: Bill 34-06, Work Release/Pre-Release Programs - Amendments and the public hearing scheduled for September 19th. Without objection it will be introduced. We have Bill 35-06: Property Tax Credit - Senior Citizens, sponsored by Councilmember Praisner, the public hearing is scheduled for September 19th. Mr. Knapp, did you want to have comments on that?

Councilmember Knapp,
I wanted to be added as cosponsor.

Council President Leventhal,
Without objection Mr. Knapp will be added as a cosponsor on Bill 35-06 Without objection, the Bill will be introduced and Ms. Praisner would like to make comments.

Councilmember Praisner,
I would. This legislation is built on state law that was just enacted this year and would allow a property tax credit for individuals at least 70 years of age, who qualify for the County supplement to the state circuit breaker. I've introduced it, and I thank my colleague, Mr. Knapp for cosponsoring it. Tied to 25% of the County circuit breaker supplement. That issue, obviously, can be part of the conversation. And I would anticipate that Finance will participate with us in trying to get a sense of the cost implications, so we can work through that. But, I wanted to get this introduced so that we can start to discuss this as soon as possible, recognizing it would be a fall on hearing.

Council President Leventhal,
Mr. Andrews?

Councilmember Andrews,
Please add me as a cosponsor as well.

Council President Leventhal,
Without objection, Mr. Andrews is added as a cosponsor. Ms. Floreen.

Councilmember Floreen,
Put me on.

Council President Leventhal,



July 25, 2006

1 Without objection, Ms. Floreen...

2
3 Councilmember Silverman,
4 Me, too.

5
6 Council President Leventhal,
7 Without objection Ms. Floreen and Mr. Silverman will be added as cosponsors.

8
9 Councilmember Silverman,
10 Can we do something about community swimming pools while we're at it?

11
12 [LAUGHTER]

13
14 Councilmember Silverman,
15 Wait a minute.

16
17 Council President Leventhal,
18 Okay, next...

19
20 Councilmember Silverman,
21 Oh, come on.

22
23 Council President Leventhal,
24 Next before the Council is call of bills for final reading, Bill 25-06: Procurement -
25 Exemptions, it has been recommended by the MFP Committee. Chairwoman Praisner.

26
27 Councilmember Praisner,
28 This comes over from the County Executive and the Office of Procurement. It would
29 allow the Council to -- or the County to waive the requirements for -- in the procurement
30 process, creates exemptions for certain contracts that wouldn't have to go through the
31 regular process for procurement. And the examples used -- for the reason why this is
32 requested is the specific goods and services that might be required for the County to
33 purchase when sponsoring certain recreational activities or entertainment, including
34 musical performances where there is a contract relationship, or there is specific trips
35 and events with certain groups and organizations. The Committee recommends
36 approval but did suggest that it would be helpful -- we get an Annual Report from the
37 Office of Procurement related to recycled paper and other issues. We also get a report
38 from the County Administrator on MFD, so this would be folded into those requirements.
39 We want to keep track of how many of these contracts, which would be exemptions to
40 the procurement process we might enter into, so we can see if there is any concern that
41 evolves. But at this point it's pretty straightforward and the Committee with the addition
42 of requiring a report, which we've added as an amendment, we recommend approval.

43
44 Council President Leventhal,



July 25, 2006

1 Okay. There are no further comments, the clerk will call the roll.

2
3 Council Clerk,
4 Mr. Denis.

5
6 Councilmember Denis,
7 Yes.

8
9 Council Clerk,
10 Ms. Floreen.

11
12 Councilmember Floreen,
13 Yes.

14
15 Council Clerk,
16 Mr. Subin.

17
18 Councilmember Subin,
19 Yes.

20
21 Council Clerk,
22 Mr. Silverman.

23
24 Councilmember Silverman,
25 Yes.

26
27 Council Clerk,
28 Mr. Knapp.

29
30 Councilmember Knapp,
31 Yes.

32
33 Council Clerk,
34 Mr. Andrews.

35
36 Councilmember Andrews,
37 Yes.

38
39 Council Clerk,
40 Mr. Perez.

41
42 Councilmember Perez,
43 Yes.



July 25, 2006

1 Council Clerk,
2 Ms. Praisner.

3
4 Councilmember Praisner,
5 Yes.

6
7 Council Clerk,
8 Mr. Leventhal.

9
10 Council President Leventhal,
11 Yes, it's unanimous. Next before the Council is Expedited Bill 33-06, Property Tax, Tax
12 Credit, Non-profit Swim Clubs. The MFP Committee recommends approval,
13 Chairwoman Praisner.

14
15 Councilmember Praisner,
16 Yes, thank you. This legislation, which carried broad Council support, comes as a result
17 of two events. One, the non-profit swim clubs in the county, receiving significant
18 increases in their property taxes as a result of a change in assessment of best use, and
19 also the fact that we're all experiencing increasing assessments for residential property.
20 The -- the other piece is a state legislation that passed this year that would allow a
21 hundred percent County property tax credit. Well, it would allow a county to provide a
22 property tax credit for non-profit swim clubs that use their facilities exclusively to provide
23 a recreational outlet to the local community. Based on that legislation, unlike Home
24 Owners Association pools, HOAs, where that land is part of the individual assessment
25 under their individual property because everyone owns a piece of that property, these
26 nonprofit swim clubs come out mostly the older areas of the county where communities
27 or developers provided some space -- some area for a swimming pool, swimming club,
28 not all of the community are members and, therefore, it's not treated the same way.
29 When we had the Committee discussion, there were two issues that came up. One was
30 the list of clubs to which it would apply that was provided and some concerns by folks
31 that that their club was not listed there. This was the list provided by the State
32 Department of Assessments, as I recall. Clearly with appropriate notice, which is
33 certainly out there in the swim club community, and given the change that we're
34 recommending, which is an application process, I think that those that might not be
35 listed will still have the capacity to apply and to be eligible. We're hoping that the
36 department will move on the expedited basis, which is what Finance has told us as well
37 they will, so that it will cover this current -- the current fiscal year's property tax. Second
38 piece was someone had asked a question about not-for-profit or nonprofit and Mr.
39 Faden advises that that's the same thing from a standpoint, and folks should not be
40 concerned. And I guess I should add the third piece, which is what the Committee
41 focused some time on, and that is if you look at state law, which isn't drafted as well as
42 somebody might expect, and I hope Mr. Monroe will take it back to Senator Gianetti, but
43 we may be able to fix that, too. The exclusively for recreational outlet to the local
44 community could raise some concerns from the standpoint of exclusives. If a swim club



July 25, 2006

1 rented their space for some purpose for some event in the community or held a fund-
2 raiser for someone who might be hurt in the community, I can think of a variety of
3 occasions where swim clubs have done that. As Mr. Faden communicates in the packet
4 it was the Committee's intent that that is -- doesn't hurt the capacity of the swim clubs to
5 be eligible for the credit. If there is some occasional extraneous activity the Committee
6 was pretty clear that they would continue to monitor the definitions in the language to
7 make sure that that didn't hurt anybody, because you would have two positive events,
8 namely the events for the community, hurting the organization by not being able to be
9 eligible. And if that occurs, Finance and we will seek modifications or clarifications in the
10 legislation. The other question that came up was, okay, you've got a tennis court or a
11 volleyball court that's very attractive. What piece of the property is eligible for this credit?
12 It was the view of the Committee that the property is the entire property and that the
13 pool is the main reason why this entity was created. They may have incidental and
14 additional activities going on that helps to provide the recreational outlet and we weren't
15 parsing the words to cause any concern about eligibility. We will continue to track this to
16 make sure that there are no problems. Finance has offered its strong cooperation, and
17 we very much appreciate it, but we did recommend an amendment which would require
18 application rather than an automatic so we can track both the cost implications and also
19 track any problems that may occur. With that amendment, the major amendment, the
20 Committee recommends approval as amended.

21
22 Council President Leventhal,
23 Mr. Denis?

24
25 Councilmember Denis,
26 Thank you, Mr. President. I thank the Chair for her excellent explanation and for her
27 support of the legislation. With the passage of this bill, Montgomery County will be the
28 first county in the state of Maryland, the first subdivision to take advantage of the
29 legislation that was enacted just this year in Annapolis. And I think it shows what can be
30 accomplished when the General Assembly and Governor work together in a
31 constructive way. This past Sunday there was an A-1 story in the "Washington Post." It
32 didn't refer to this bill particularly, but I think it demonstrated why it's an important piece
33 of legislation. It was about the Tilden Woods pool. It was a great story, happy people,
34 happy children and wonderful pictures and -- and the sub headline was "In Tilden
35 Woods, pool side fervor is a way of life." And in the story were these two sentences:
36 "There is no town square in Tilden Woods so the community pool is the magnet for
37 activity." And "For eight weeks every summer the neighborhood lives here." That's why
38 this bill is so important to try to offset the rising assessments and to help preserve the
39 green space. And if you look at Mr. Faden's packet on July 11th, 7/11, a very lucky
40 number and day to be sure, but you will see, sure enough, on the list in the back, Circle
41 6, of all the pools that are included -- and there may be more, 40 or 50, in that order,
42 sure enough, Tilden Woods Recreational Association, Inc. So, I think that what you see
43 in Tilden Woods, you would see at any one of the community pools that would be able
44 to take advantage of the legislation that we are about to enact.



July 25, 2006

1
2 Council President Leventhal,
3 Mr. Silverman?

4
5 Councilmember Silverman,
6 Thank you, Mr. President. Appreciate the work of the Committee in expediting this. The
7 last time that I had the opportunity to support what I thought was a no-brainer was when
8 we did the first Dog Park in Montgomery County at Wheaton Regional. Where for the
9 whopping sum of \$15,000, we created a wonderful community benefit. And we're going
10 to -- we're continuing down that path. The non-profit swim clubs have been a part of our
11 community for generations. And the idea that simply because we've got an exploding
12 real estate market that somehow or another they should succumb to the assessment
13 and tax process makes absolutely no sense. They provide great community spirit. They
14 hold communities together and they supplement our -- what I consider to be inadequate
15 recreational amenities in this county of a million people. We should be doing everything
16 we can. This is what we can do now and I'm very pleased to be part of this very
17 important legislation and I look forward to continuing to work with the wonderful
18 communities and I appreciate the hard work of the leadership. We have a couple of
19 members here, Duncan and Pat and others who work very, very hard on getting this on
20 our radar screen and...and go forth and swim.

21
22 Councilmember Praisner,
23 I just want to note since I made reference to the Senate Bill, that as is tradition in
24 Annapolis, a House Bill also passed -- I think it passed earlier as an incentive bill, but it's
25 up to the Governor, when you've got two bills the same, as to which one you sign and
26 which one you veto. That's what he does. Any governor does. So, I want to
27 acknowledge Brian Moe, also from District 21, who was the chief sponsor for the House
28 Bill, as well. This is a District 21 operation. And I'm sure Delegate Frush, Barbara Frush,
29 was also very much involved given her experience with community swim clubs.

30
31 Council President Leventhal,
32 Terrific. I was happy to co-sponsor this legislation and I enjoyed reading the article in
33 the "Washington Post" over the weekend about the Tilden Woods Swim Club. This is
34 clearly -- these are very, very important gathering places in our communities and they
35 are generally zoned residential and the value of the land is skyrocketing and the
36 pressure upon some of these boards to try and meet the increased property tax
37 assessments and not sell out and not -- and preserve these open spaces and
38 community gathering places despite the pressure for residential development, which we
39 all know exists, are all issues that are very much on my mind as I considered and was
40 very happy to co-sponsor and will, indeed, vote for this bill. And I congratulate Mr. Denis
41 and Mr. Silverman and Ms. Praisner and everyone else who worked on this bill. This is
42 one of the most popular pieces of legislation that we have the opportunity to vote for. It's
43 great to us that it came up in the summertime when everyone was going to the
44 neighborhood swim center and were greeted by sheets saying "Thank you



July 25, 2006

1 Councilmembers who supported this," and urged the other Councilmembers to vote for
2 it. So, this is a happy occasion. I've been getting a lot of e-mails thanking me. That
3 doesn't happen very often. I'm glad to be able to vote for this legislation. There are no
4 further comments. The clerk will call the roll.

5
6 Council Clerk,
7 Mr. Denis?

8
9 Councilmember Denis,
10 Yes.

11
12 Council Clerk,
13 Ms. Floreen?

14
15 Councilmember Floreen,
16 Yes.

17
18 Council Clerk,
19 Mr. Subin?

20
21 Councilmember Subin,
22 Yes.

23
24 Council Clerk,
25 Mr. Silverman?

26
27 Councilmember Silverman,
28 Yes.

29
30 Council Clerk,
31 Mr. Knapp?

32
33 Councilmember Knapp,
34 Yes.

35
36 Council Clerk,
37 Mr. Andrews?

38
39 Councilmember Andrews,
40 Yes.

41
42 Council Clerk,
43 Mr. Perez?



July 25, 2006

1 Councilmember Perez,
2 Yes.

3
4 Council Clerk,
5 Ms. Praisner?

6
7 Councilmember Praisner,
8 Yes.

9
10 Council Clerk,
11 Mr. Leventhal?

12
13 Council President Leventhal,
14 Yes. The bill passes 9-0. Next before the Council is Bill 07-04: Off-road Vehicles,
15 Registration and Operation. The Public Safety Committee recommends approval.
16 Chairman Andrews?

17
18 Councilmember Andrews,
19 Thank you, Mr. President. As you noted, this is Bill 07-04. It's been a bill the Public
20 Safety Committee has spent a lot of time on over the last two years and heard from a
21 variety of the stakeholders a number of times about this. This was a bill proposed by
22 Councilmember Praisner to address concern about the operation of off-the-road
23 vehicles. The bill has been amended by the Public Safety Committee and
24 recommended unanimously to the Council for approval. Briefly, what the bill does is to
25 apply a couple of things. First, it applies to vehicles that people think of as motorcycles
26 or off-the-road vehicles, but not to farm equipment, not to personal mobility transport.
27 The Committee wanted to be very sure that it was limiting the scope of the bill to the
28 problem and I think the bill accomplishes that. We heard from the farm community about
29 that and we addressed it. The bill adds a public education requirement so that when
30 these vehicles are sold the folks selling the vehicles provide information to the
31 purchaser about the safe operation and laws regarding that. The bill gives the Police
32 Department the discretion to take enforcement measures that the Police Department
33 thinks would assist in various circumstances and the Police Department supported that
34 approach. But we did not include in the recommended bill the proposed registration
35 requirement. The experience in Prince George's County strongly suggests that, in its
36 current form at least, that would not work. Prince George's County has a registration
37 requirement for off-road vehicles and very few -- a dozen or two have been registered
38 out of the undoubtedly more than that in Prince George's County. That was a concern,
39 as well as the Police Department's view that it would impose significant costs and
40 administrative burden without enough benefit to justify it. And the Committee agreed
41 with that, so we deleted the registration requirement. And we also deleted the
42 September 1st, 2006 effective date, which is no longer appropriate at this point. I think
43 I'd like to give Ms. Praisner a chance to talk about the bill, since it's her bill and then see
44 if there are questions from the Council.



July 25, 2006

Council President Leventhal,
Ms. Praisner?

Councilmember Praisner,

Thank you very much. I really do appreciate the work and the effort that went into it on the Public Safety Committee. I joined them when I could. I also appreciate the comments that we received from the public. It's clear that there are enthusiasts for the vehicles who would rather have no regulation or requirements. It's also clear from the community folks, White Oak, Cloverly, Aspen Hill, other areas who have come to us with testimonials from a standpoint of problems with -- both to private property and the problems in the streets when these vehicles are inappropriately used on both private property and on the streets. While I initially began in parallel with Councilmember Dernoga in Prince George's County, whose legislation passed a year ago, and as the comment was made, has had little enforcement, I guess, and therefore few registrations. I am supportive of where the Committee ended up. I'm pleased that the Police Department supports the legislation as now currently drafted. I'm extremely pleased that the Office of Consumer Affairs is committed to working on and has already begun to develop the kind of notice that would be posted and given to a person who purchases one of these vehicles to educate them about the requirements for helmets, for safety, the requirements as to where these vehicles should be appropriately used. The problem, as Police Officer Dadone testified on a couple of occasions is an epidemic of proliferation of these vehicles with not the necessary and appropriate consideration for the use of these vehicles. This is a very small step. It will allow the education program, which the police are also enthusiastic about. It does not apply to farm vehicles, and since there is not the aggressive enforcement, I really do believe that folks in the farm community do not need to be concerned that folks will be targeting them or be applying any regulation associated with that. In this case, I think that the farm community needs to appreciate that while we have preserved the Ag Reserve and preserved farming there are implications for the rest of the community of increased activity and increased community development, some of which includes the introduction of vehicles that are not appropriately being used on all occasions. So, I thank the Committee. I think this is a small step. It is more education than enforcement and will help in the process with neighborhoods across this county.

Council President Leventhal,
Ms. Floreen?

Councilmember Floreen,

Thank you. I just had a question and I think it's -- it's pretty clear. I just wanted to clarify the record, this does not apply to things like mountain bicycles or the like because of the reference to motor vehicles...

Councilmember Andrews,



July 25, 2006

1 Motorized craft.

2
3 Council President Leventhal,
4 I had a question, as well. Mr. Perez, you can go first.

5
6 Councilmember Perez,
7 I intend to support the legislation, but the exclusion of lawn mowers gives me great
8 concern. We've had an epidemic in my neighborhood of people, you know, driving
9 around in their riding lawn mowers. And I know Mr. Subin had the same problem and
10 we've been discussing that. So -- but I will -- I will defer to the will of the Committee on
11 this.

12
13 Council President Leventhal,
14 I had a real question!

15
16 [LAUGHTER]

17
18 Council President Leventhal,
19 Does someone have the definition of farm vehicles from the Maryland code?

20
21 Sonja Healy,
22 I don't have it in front of me.

23
24 Council President Leventhal,
25 Okay. Well, I was at Butler's Orchard over the weekend for the Agricultural Farm Day.
26 And there's a bunch of dirt bikes there and it's a large area and they use them to get
27 around. Does a farm vehicle include a dirt bike or an ATV...

28
29 Sonja Healy,
30 Yes, that is used on an agricultural property.

31
32 Council President Leventhal,
33 So used on that property you don't have to be sure you're using it for appropriate
34 purposes?

35
36 Sonja Healy,
37 Absolutely not.

38
39 Council President Leventhal,
40 If you're on a farm, you're going to get from Point "A" to Point "B," that's a farm vehicle.

41
42 Sonja Healy,
43 Correct.



July 25, 2006

1 Council President Leventhal,
2 Even if it's a dirt bike or an ATV?

3
4 Sonja Healy,
5 Yes, that's why we specifically included that as one of the exceptions. And then again
6 down in subsection F-5, talked about primarily for agricultural gardening or landscape
7 purposes, as well, so they're doubly exempt.

8
9 Council President Leventhal,
10 What if you're just getting around your farm?

11
12 Sonja Healy,
13 That's fine, as well.

14
15 Council President Leventhal,
16 What if you're getting from the tool shed to the main house?

17
18 Sonja Healy,
19 They're covered because they're being used on agricultural property. They're exempt.

20
21 Council President Leventhal,
22 On agricultural property, you don't have to certify that it's an agricultural purpose?

23
24 Sonja Healy,
25 That's correct. No, you do not.

26
27 Council President Leventhal,
28 Well, I've had, as I know other colleagues have, and I know the Committee and Ms.
29 Praisner have had a lot of conversations about this bill. And I appreciate that the
30 Committee made a number of changes to the bill. And I just want very -- and I've read
31 the bill. Which is useful... We recommend that! Actually reading the bill! So, I just want
32 to very quickly be clear about what is and what is not included. Sometimes when you
33 read a bill, the bracketing and the underlining, if you're not very, very conversant with
34 this, can be confusing. So, an off-road vehicle is defined -- I don't quarrel or have any
35 issues with the definition of an off-the-road vehicle, it has to be motorized, to answer
36 Ms. Floreen's question. The registration requirement is out. The double bracketing
37 means it is...

38
39 Sonja Healy,
40 It's been deleted.

41
42 Council President Leventhal,
43 I'm not actually asking, just clarifying. There is no registration requirement at all in the
44 bill. Equipment, there is a requirement that anyone who operates a motorized vehicle



July 25, 2006

1 must wear a helmet. That's consistent with on-road requirements which I strongly
2 support. I think I'm the only member of this Council who is licensed to ride a motorcycle
3 in Maryland. I strongly support helmets and protective eye devices. With respect to the
4 driving restrictions, I just want clarity on that. As of today -- and this is an important point
5 -- there is no county property, that includes Park and Planning property, on which off-
6 road vehicles may legally be ridden. Is that correct?

7
8 Sonja Healy,
9 That's correct.

10
11 Council President Leventhal,
12 So, you can't just go into the park and ride one of these. You can't ride one of these in
13 Rock Creek Park. I've seen them -- seen scooters being ridden in Rock Creek Park
14 illegally. That's already the case. You're not allowed to do this. This just clarifies that.
15 This is not a change to law. It is illegal today, prior to the passage of this bill -- to ride a
16 motorized vehicle on any county property. School property, park property, Rock Creek
17 Park, Little Bennett, anywhere. It's not legal today.

18
19 Sonja Healy,
20 Correct.

21
22 Council President Leventhal,
23 And regs will be -- well, that's already taken out. And enforcement -- there isn't much to
24 enforce here other than the use of the vehicle on county property, which is already law.
25 And then there's going to be a public education -- I'm now down to 7-A: Notice
26 Requirements. The police are expected to educate people about the risks, I guess, of
27 pocket bikes and dirt bikes, et cetera. And that's the bill.

28
29 Sonja Healy,
30 That's correct.

31
32 Council President Leventhal,
33 So I just thought it was useful to walk through this. This imposes no restriction on
34 agricultural property. It makes no change in current law to what is already prohibited,
35 which is the use of motorized vehicles on County property; already illegal. It does
36 empower the police to confiscate the vehicle. I don't think that was the case before. So
37 that if you had someone riding a dirt bike or a pocket bike or an ATV on County
38 property, now the police can confiscate the vehicle. They weren't able to do that before.

39
40 Sonja Healy,
41 Correct.

42
43 Council President Leventhal,



July 25, 2006

1 I thought it was important to clarify those things. I'm going to vote for this bill. I've had
2 questions about it and questions have been brought to my attention about it. I do want
3 to ask and no one is here from Park and Planning, but I'd like staff to, at my request,
4 contact Park and Planning to explore whether it might be possible to provide some sort
5 of a riding range somewhere in Montgomery County for these vehicles. I've ridden dirt
6 bikes. There are some hazards associated with them, but if you're an experienced rider
7 and wear a helmet and wear goggles, it is a lot of fun and a sport that many people in
8 the community enjoy, including me. I'd like to see at some point whether it would be
9 feasible to identify parkland that would be appropriate for this use. So, at my request, I'd
10 like us to direct that question to Park and Planning and explore that. That was one of
11 the comments that's in the packet from the motorcycling community. That we really do
12 need to identify a place where people can do this legally and safely, within reason. It will
13 never be 100% safe, you have to know what you're doing when you ride these vehicles.
14 But it is a lot of fun and those who are experienced can do it safely. Ms. Praisner?

15
16 Councilmember Praisner,

17 Yes, there have been attempts at the state level for legislation that would do just that on
18 a statewide basis. There are already trails at the state level and state parks. And there
19 have been efforts -- unfortunately not successful -- to generate revenue through
20 registration and other means to maintain the trails that exist and to expand the trails at
21 the state park level, because the thought was that state parks are more appropriate
22 locations because they're larger and they are also more removed in most cases from
23 residential neighborhoods, where the impacts and the noise and where also the state
24 can handle the liability that is associated with managing and operating. There is nothing
25 to preclude the private sector coming forward and proposing some kind of a facility, as
26 well. And I have spoken with folks at the state level on these issues. There have been
27 MACo Committee and MACo workshops on these issues, as well.

28
29 Council President Leventhal,

30 Mr. Battley/ I'm sorry. I see that you're here, I'm glad you're here. I'm sorry you missed
31 my comments though, because I did just walk through the provisions of this bill and why
32 I believe it does not impose unduly on the agricultural community, because any of these
33 vehicles ridden on agricultural land are not covered by this bill. There is no registration
34 requirement in the bill. The registration requirement has been removed. I'm not going to
35 call on you because I know the Committee has given you ample opportunity to be
36 heard. The -- there is an expectation that dealers will provide a written description of
37 safety requirements which the County is now writing up. The County will provide that to
38 dealers, it won't be something that dealers have to compose on their own. And there is
39 a requirement that for off-road use, a helmet and some sort of eye protection be used,
40 which -- which I support. So, I'm speaking to you directly, Devon. I've listened to you
41 and taken the issue seriously, but the Committee has made a number of modifications
42 to the bill, which I walked through just before you arrived. And I am going to vote for it,
43 understanding that the Committee has taken the concerns of the motorcycling
44 community and agricultural community into account. Ms. Floreen?



July 25, 2006

1
2 Councilmember Floreen,
3 Thank you. Perhaps I missed this in the exchange, but was it the intent of this legislation
4 to address driving these vehicles on parkland?

5
6 Council President Leventhal,
7 That's one of the issues it would address.

8
9 Councilmember Floreen,
10 Because it doesn't actually address land owned by the Maryland National Capital Park
11 and Planning Commission.

12
13 Council President Leventhal,
14 Well, when I asked that question, I said County land, including Park and Planning, that
15 Park and Planning would be covered under that.

16
17 Councilmember Praisner,
18 It's public land.

19
20 Sonja Healy,
21 And it is already covered -- that area is already covered. But if you look under the
22 enforcement section, 7-A-4, starting at 78, it talks about the Police may enforce and
23 Park and Planning may enforce, as well. Today, they could stop a person doing this
24 behavior, but they would be subject to a higher fine.

25
26 Councilmember Floreen,
27 I'm looking at the driving restrictions, which refers to County property.

28
29 Councilmember Praisner,
30 You want to...

31
32 Councilmember Floreen,
33 If that was your intention to expand it -- to cover that land, I would urge that that point be
34 addressed. I'm looking at line 58.

35
36 Council President Leventhal,
37 Well, I asked Sonja about that, and it said "County property." I assumed that to include
38 property owned by Park and Planning.

39
40 Sonja Healy,
41 Well, we can specify that, as well.

42
43 Council President Leventhal,
44 But again...



July 25, 2006

1
2 Sonja Healy,
3 It is covered.

4
5 Councilmember Andrews,
6 It is already covered, right?

7
8 Sonja Healy,
9 It's already covered under existing law. Not specifically in this bill, but we can add Park
10 and Planning property if you'd feel more comfortable.

11
12 Councilmember Floreen,
13 I'm just raising the question. If that's an intention to clarify that, I would urge that
14 position.

15
16 Sonja Healy,
17 We can clarify that.

18
19 Councilmember Floreen,
20 Because as their attorney, I would certainly argue that that is unclear.

21
22 Council President Leventhal,
23 Right, but I also do think it is important that we look at opportunities for safe off-road use
24 of these vehicles. And I'm simply restating this, because Mr. Batly has expressed such
25 an interest in this, and he wasn't present for my comments. I've asked staff to contact
26 Park and Planning to look into the possibility of whether there may be a riding range or
27 some other facility in Montgomery County that the County can make available for off-
28 road use. Okay? Mr. Andrews, do you have further comments?

29
30 Councilmember Andrews,
31 No.

32
33 Council President Leventhal
34 The clerk will call the roll.

35
36
37 Council Clerk,
38 Mr. Denis?

39
40 Councilmember Denis,
41 Yes.

42
43 Council Clerk,
44 Ms. Floreen?



July 25, 2006

1
2 Councilmember Floreen,
3 Yes.
4
5 Council Clerk,
6 Mr. Silverman?
7
8 Councilmember Silverman,
9 Yes.
10
11 Council Clerk,
12 Mr. Knapp?
13
14 Councilmember Praisner,
15 Mike's over there.
16
17 Councilmember Silverman,
18 Mike's in the corner.
19
20 Councilmember Praisner,
21 He's in the corner.
22
23 Council Clerk,
24 Mr. Subin?
25
26 Councilmember Subin,
27 Yes.
28
29 Councilmember Silverman,
30 As he should be.
31
32 Councilmember Praisner,
33 No, he's not...
34
35 Councilmember Perez,
36 Mr. Subin's in time out.
37
38 Councilmember Praisner,
39 No, he's not!
40
41 Council President Leventhal,
42 It's the Off-road Vehicle Bill.
43
44 Councilmember Knapp,



July 25, 2006

1 Yeah, He knows!

2
3 Council Clerk,
4 Mr. Knapp?

5
6 Councilmember Subin,
7 Is this giving Mr. Perez permission to ride his lawn mower from his house to my house?

8
9 Multiple Speakers,
10 Yes.

11
12 Councilmember Knapp,
13 Wasn't there a movie about that?

14
15 Council Clerk,
16 Mr. Knapp?

17
18 Councilmember Knapp,
19 Yes.

20
21 Council Clerk,
22 Mr. Andrews?

23
24 Councilmember Andrews,
25 Yes.

26
27 Council Clerk,
28 Mr. Perez? Ms. Praisner?

29
30 Councilmember Praisner,
31 Yes.

32
33 Council Clerk,
34 Mr. Leventhal?

35
36 Council President Leventhal,
37 Yes, the bill passes 9-0. And we are just about two minutes ahead of schedule. I see
38 that -- I think all the relevant parties are here. Let's proceed with the discussion of the
39 reorganization of the Board of Licensed Commissioners.

40
41 Justina Ferber,
42 George Griffin sends his apologies, he had a medical emergency so he won't be here,
43 but Dennis is here.



July 25, 2006

1 Councilmember Andrews,
2 Okay. All right. Thank you, Mr. President. The Public Safety and Management and
3 Fiscal Policy Committees are unanimously recommending that the Council adopt a
4 resolution to state that it does not intend to disapprove the proposed reorganization plan
5 to integrate the Office of the Board of License Commissioners and the Department of
6 Liquor Control. Essentially, the argument of the Executive Branch for this reorganization
7 is to improve efficiency and effectiveness. The argument is not that there is a big
8 problem now. But the argument is that they believe that this would make things more
9 efficient and more effective in providing outreach to various communities about alcohol
10 awareness and combining the resources of the agencies, particularly assisting the
11 Board of Licensed Commissioners to have more access to the resources of the larger
12 department; the technology and staff and so on. The Board of Licensed Commissioners
13 would remain independent, nominated by the County Executive and confirmed by the
14 County Council. And that, I think, is -- is essential and key to the Council maintaining the
15 ability to ensure strong, independent BLC. The packet is very thorough. I appreciate the
16 good work by Justina. We had a public hearing on this in June, I think it was. And we
17 heard from a lot of different people at the time. There was a fair amount of support for
18 the reorganization. We heard from different County agencies. The Police Department in
19 the person of Captain Thomas Dadone supported the proposal primarily because they
20 believe it will improve alcohol awareness efforts, combining the two resources. There
21 have been concerns expressed about potential conflict of interest in having the two
22 together. The Committee wanted to address that, at least in part, by requiring that any
23 inspections of County liquor stores are not done by the Department itself, by the
24 Department of Liquor Control, but by the Police Department. Both agencies currently do
25 inspections of licensed facilities in the county and split them up. And in order to ensure
26 that the department was not inspecting its own stores after a reorganization took place,
27 it is specified that the -- it is understood, it's not specified, that the Police Department
28 would do the inspections to avoid at least that perception of a possible conflict. We
29 heard from a number of other -- we heard that this is generally the norm in how
30 departments are organized around the country. We didn't hear evidence that there are
31 major issues in those areas. And so the argument comes down to this is a more efficient
32 and effective way to run this part of government, not that there's a terrible problem with
33 the current system. That's essentially the argument. The Committees agreed that it
34 would seem to improve the possibility, at least, of efficiency and effectiveness in doing a
35 lot of efforts on alcohol awareness and outreach. And the department, the BLC, does a
36 lot now. And we have worked closely with the Board of License Commissioners and the
37 Department of Liquor Control in these areas and I think both have done a very
38 commendable job in recent years and I've been pleased with the results of their efforts. I
39 think I will stop at this point. The packet is very thorough and see if there are any
40 questions for myself or for the folks that joined us at the table. We have Dennis
41 Theoharis, who is the Executive Director of the Board of License Commissioners, and
42 then Justina and Mike Faden.

43
44 Council President Leventhal,



July 25, 2006

1 Thank you, Mr. Chairman. I don't have questions, but just to lay out the options for the
2 Council here, I'm going to oppose the recommendation of the joint Committee. I
3 appreciate the work that's been done in trying to assemble the arguments in support of
4 this. I will say that for the most part when I hear from my constituents about
5 Montgomery County's liquor monopoly, it is not in a positive context. Most of my
6 constituents that I hear from don't support having Montgomery County being a
7 controlled jurisdiction. Now, I'm very familiar with this issue, we've spent a great deal of
8 time -- with the broad issue of whether or not we should have controlled liquor and wine
9 and beer sales in Montgomery County. We know that it is not, for us, the County
10 Council, to make that determination. It is a function of state law that dates back to early
11 in the 20th century. And I'm not today proposing nor am I certain I would support a
12 privatization of county liquor sales. But neither do I think that the public will favorably
13 greet what certainly is a strengthening of the County's alcohol sales monopoly. For that
14 reason, I think that this proposal has the potential, whether it will be realized or not, I
15 believe that all actors in this discussion are operating in good faith. I don't impute evil
16 motive to anyone. But I think that this legislation has the potential to strengthen the
17 hand of the County's liquor monopoly and introduce possibly anti-competitive
18 tendencies in the County's liquor sale operation. And for that reason, and because I
19 think we should encourage competition and out of my interest in supporting small
20 businesses that are seeking to sell beer and wine and that are licensed by a separate
21 and independent Board of License Commissioners. I don't find the argument in support
22 of efficiency and effectiveness very compelling. And so I will oppose this
23 recommendation. Mr. Perez?

24
25 Councilmember Perez,

26 I'm still struggling with the issue of what problem this is a solution to. And I'd like to get a
27 little more on that. And I'm also, I guess, struggling with the broader question of when
28 we have four months left in an administration, is this an appropriate time to have
29 reorganizations under way? I think, again -- and that's a question that's not necessarily
30 limited to you. I think as we get to the end of one era and begin to embark on another, I
31 question whether the end of July, four months before the end, is the appropriate time to
32 do reorganizations of any agency. So, those are two separate questions not meant to
33 be rhetorical.

34
35 Dennis Theoharis,

36 Thank you for the opportunity. Dennis Theoharis, Executive Director of the BLC. We
37 have -- first of all, specifically, this particular reorganization plan was really brought to
38 the table approximately a year ago. We went through the budget process. It just
39 happened to be a timing issue that came -- that it was strung out due to the way it was
40 presented in the -- through the budget process. And your counsel, Mike Faden, correctly
41 identified the situation and said that you had to go through the Council to deal with the
42 reorganization process, you couldn't just do it through the budget process, if I'm saying
43 that right. And Mr. Faden is here.



July 25, 2006

1 Mike Faden,
2 That's right.

3
4 Dennis Theoharis,
5 We've been looking at this for a while. Again, we are the exception rather than the rule
6 around the country, in terms of enforcement and licensing being within a Department of
7 Liquor Control. There are, with the organization -- and it's stated in the package -- the
8 efficiencies with a larger organization they have more resources, the I.T. help, the
9 administrative help, where my small staff would no longer have to deal with [paths],
10 OHR kind of issues. They could deal more with our customers, with our licensees. And
11 the Commissioners remain independent. It would not create an anti-competitive
12 situation because the Commissioners are the ones that make the decision in terms of
13 who gets a license. So, this will not change. There will -- it will reduce the number of
14 small, freestanding agencies within the County Charter. So -- and I don't want to repeat
15 them all, but I hope I answered some of your questions, Mr. Perez.

16
17 Councilmember Perez,
18 I mean I hear -- I go to Adega a lot. And I have a lot of friends who are -- I'm a beer
19 drinker and most of my friends are wine drinkers. I guess I grew up in Buffalo and they
20 grew up in Bethesda.

21
22 [LAUGHTER]

23
24 Dennis Theoharis,
25 My dad was from Buffalo. Cold area!

26
27 Council President Leventhal,
28 Well, I grew up in Bethesda and I'm a beer AND wine drinker...

29
30 Councilmember Perez,
31 There we go!

32
33 Council President Leventhal,
34 ...only in moderation.

35
36 Councilmember Perez,
37 Of course, we all emphasize "only in moderation"! I bring it up to say that I was at an
38 event Sunday afternoon and the wine was all purchased from a wonderful place called
39 Morris Miller in the District of Columbia.

40
41 Dennis Theoharis,
42 I know it well!

43
44 Councilmember Perez,



July 25, 2006

1 And my simple point being, there's a pretty significant -- and I've talked to the owner of
2 Adega. I love Adega. My wife and I went there last week, we go there a lot. And I think
3 it's a great place. And that owner is frustrated to no end at the liquor monopoly in the
4 county. And he asked me the question -- or someone asked me the question about,
5 "Okay, what's going on here?" And is this going to make my life easier or harder? And I
6 guess the answer I'm hearing from you is it will have no effect.

7
8 Dennis Theoharis,

9 Well, no. It will allow the current staff of the Office of the Board License Commissioners
10 to pay more attention to licensees in terms of there's other administrative and personnel
11 issues they no longer will have to do. It's a small issue, but there will be more personal
12 attention, I believe. As far as the availability of wines and frustration, this particular -- if
13 that is an issue -- and I can't... That's not my bailiwick. George Griffin could answer that
14 and probably add a little humor to it, but I don't... That won't change anything in terms of
15 your clients being able to get alcohol...

16
17 Councilmember Perez,

18 They will still be unhappy. Okay.

19
20 Council President Leventhal,

21 They'll still be unhappy. How much more attention does an individual licensee want? I'm
22 not sure that attention is something they're looking for.

23
24 [LAUGHTER]

25
26 Dennis Theoharis,

27 No, we have a lot of -- we have a lot of licensees that call us.

28
29 Council President Leventhal,

30 I wanna operate my store. I don't want a lot of attention from the Board of Licenses!

31
32 Dennis Theoharis,

33 Mr. President, when you're saying -- you're talking about attention in terms of
34 enforcement, I wasn't talking in terms of that. I was talking about we get a lot of
35 questions about "Well, my sister wants to come on the license," and "How do I do this?"
36 "How do I do that?" How do I own five businesses in this county? These kind of
37 questions that we're constantly dealing with.

38
39 Unidentified Speaker,

40 Our Keg law.

41
42 Councilmember Perez,

43 Is this going to have any effect on access for independent -- the Adega owners of the
44 world, in terms of their access to a wider and less expensive array of options? That's the



July 25, 2006

1 beef I hear most frequently. You know, restaurants located in the District and in
2 Bethesda. I heard from them, that they have a far greater wine selection in the District of
3 Columbia than in Bethesda, because of the liquor monopoly. What's that? The place
4 that's on 8th and "F" in the District. And it's right in Bethesda Row. [Topis]? [Helios],
5 thank you.

6
7 Dennis Theoharis,

8 Well, again, with all due respect, this is not going to change the selection of alcohol,
9 'cause this is just licensing and enforcement. It's not going to change the selection
10 process or the amount of alcohol that is available. Mr. Griffin does have an Office of
11 Community Outreach. And that was specifically designed several years ago to listen to
12 your constituents as to what the problems are and to address that. That's what the
13 Office of Community Outreach is about.

14
15 Councilmember Andrews,

16 Yeah, I would add -- and I think there's more work to be done in that area. But I know
17 that Mr. Griffin has worked very hard to work with restaurants and other purchasers to
18 meet their needs and to expand what's available, to provide better customer service.
19 That's one of the reasons the Council funded the expansion of the Liquor Warehouse
20 Facility, to provide more selection, provide appropriate temperatures. There is a
21 comprehensive effort underway, which the Council has supported, to improve the
22 selection, the customer service. And I have to say George Griffin has really turned the
23 agency around, I think, in the last -- since he was appointed several years ago. I think
24 he's done a very good job and I think Council has shown a lot of confidence in his
25 judgment. So, the bill doesn't address that, but those efforts are under way.

26
27 Council President Leventhal,

28 Okay, the recommendation of the Committee is before the Council. Those in favor of the
29 Committee's recommendation will signify by raising their hands. It is Mr. Denis, Ms.
30 Floreen, Mr. Knapp, Mr. Andrews, Mr. Perez, Ms. Praisner, and Mr. Subin. Those
31 opposed will signify by raising their hands. It is Mr. Silverman and myself. The resolution
32 not to disapprove passes the Council on a vote of 7-2. And so... We are in recess until
33 the hour of 1:30.

34
35 Councilmember Andrews,

36 Wow! Very good. Wow! That's an efficient meeting. Wow!



July 25, 2006

1 [MUSIC]

2
3 Council President Leventhal,
4 Good afternoon ladies and gentlemen. This is a public hearing on the Damascus Master
5 Plan sectional amendment G-854, which would reclassify 673 properties, covering
6 1,422 acres to new Euclidean zoning, the remaining 26,267 acres in the Master Plan
7 are proposed to retain their existing zones. This Sectional Map Amendment includes
8 corrective map amendments which affect 17 properties, and effect two and a half total
9 acres. The Planning Housing and Economic Development Committee is scheduled to
10 take up this matter on September 18th, 2006 at 9:30 A.M., anyone who wants to submit
11 additional information [COUGHING], excuse me, additional information for the Council
12 to consider should do so by the close of business August 31. We have five witnesses
13 signed up for this hearing. Mr. Jean Casey, Mr. Tim Duncan, Mr. Steve Kaufman, Mr.
14 William Miller, thank you, and Mr. James Guthrie. Will those witnesses please come
15 forward? Where's Mr. Casey? Not here. Okay. I guess that's Tim Dugan. Please begin.

16
17 Tim Dugan,
18 Good afternoon, Councilmembers. For the record might have name is Tim Dugan. I'm
19 the attorney for the Kramers. I submitted for the record a brief letter and an exhibit
20 attached to it to show you the location of the property that I'm going to talk about.
21 George and Matt Kramer have a six-acre property on Lewis Drive, it's west, if you will,
22 from the Jimmy [Cone] and they've held it for a long time, probably 20 years or more.
23 And the reason I'm here is that we're asking that the property be designated MXTC
24 rather than MXTC/TDR notwithstanding the fact that it's a split zones property. Four
25 fifths of their property, approximately five acres of the land is zoned is today zoned I1. It
26 was zoned I1 through a couple of different proceedings, local map amendments in the
27 early '80s, and then the last master plan the follow one to that, some more acreage was
28 zoned I1 from that. In the course of the subdivision application that was then followed
29 upon with the record plat, there was land just to the north of it that was added that's
30 zoned RE-2C. That was added and incorporated in the preliminary plan applications, so
31 that the forest conservation requirements could be accomplished on site, and so the
32 property today is split zoned, about five acres is I1, one acre is RE-2C. Doing the math
33 on this property, having that all then face the MXTC TDR zone, if you will, adds
34 significant cost to the Kramers' property if they are to develop it. And I did the math
35 here, assuming that TDRs were \$35,000, as you know, they've become rather pricey, if
36 he had to by 18 TDRs, there's \$630,000 they'd have to spend in association with that.
37 The maximum density on the site of 20 units per acre, they'd have to buy 72 TDRs
38 they're up to \$2.5 million so it's very expensive. The other thing that I might note is if,
39 you all probably know Lewis Drive like I do, or the Damascus area. The property slopes
40 way down behind where the RE-2C lands is, and so the notion to be able to yield a
41 whole lot of density on this site is rather problematic to say the least. It drops 60 feet
42 from Lewis Road down to the bottom where the RE-2C land is, and as a result of that I
43 don't think we're going to get the type of yield, if you will, that one might think you'd get,
44 simply because you're joined MXTC, but you would pick up this added cost. As I said



July 25, 2006

1 before, the last attachment on here is the record plat that shows what's zoned RE-2C
2 and what's zoned I1. if I have another five seconds or so to my testimony, I wanted to
3 apologize to the Council for one thing, and that was; I was under the misunderstanding
4 that because the SMA as comprehensive rezoning that it was a legislative act, and I
5 contacted both Councilmember Steve Silverman and Mike Knapp, met with them, and
6 gave them the gist of what I just mentioned and I thank Councilmember Praisner for
7 bringing this to my attention, and I do apologize for that. This proceeding is on the
8 record, and therefore is not a legislative proceeding, but one that I'm, the only proceed
9 on the record. So for that I apologize. Be happy to answer any questions for the
10 Council.

11
12 Council President Leventhal,
13 Thank you, Mr. Kaufman.

14
15 Stephen Kaufman,
16 Good afternoon, President Leventhal and members of the Council. Pleasure to appear
17 before you today. I represent and my firm represents the King family which you're
18 familiar with their property in the Damascus SMA. First, we are certainly in support of
19 the SMA and the rezoning of the property owned by the Kings on the east side of King's
20 Valley Road to the RNC designation. The purpose of today's testimony, and I have
21 given you a letter dated July 20, which does have a lot map attached to it. It's a request
22 that the Council include in the SMA a small little piece which will be on the east side of
23 Kings Valley Road as realigned. You will recall in the Master Plan, you do call for that
24 realignment, and you call for approximately 138 acres on the east side of Kings Valley
25 Road made up of the King property and the [INAUDIBLE] property to be rezoned, but
26 the SMA only shows 131.98 acres and excludes a small little 8-acre piece which I'm
27 about to show you. This is a blow up and excuse me, me, but I'm hiding it from the
28 audience. This is a blow up of the property. This is a very small piece in the corner. The
29 engineering for the realignment of Kings Valley Road so that it T's up to the existing
30 Kings Valley Road to the south has been done and was done in the Concept plan
31 submitted to you. We're absolutely certain that this will be the alignment. To not do this
32 at this time would cause a tremendous burden on the Kings. They'd have to come in
33 after this zoning with a piecemeal zoning for these eight acres. Also, if for some reason
34 this alignment is slightly off the difference is so nominal that it would not make any
35 difference. It really is not an issue of density. It's really an issue of putting the
36 appropriate amount of land in the RNC zone as was recommended in the master plan.
37 So we would request that the eight acres which you have acknowledged in your master
38 plan and which allows for this realignment of Kings Valley Road be included in the SMA.
39 If you have any questions, I'll be glad to answer them.

40
41 Council President Leventhal,
42 Thank you. Mr. Miller.

43
44 William Miller, Sr.,



July 25, 2006

1 Good afternoon, President Leventhal, thank you. Good afternoon President Leventhal,
2 ladies and gentlemen of the Council. I'm William Miller. I'm here speaking on behalf of
3 my two properties which are known as the Miller property being approximately 33 acres
4 original adjoining the Damascus Town Shopping Center. A short time ago, case number
5 G-792 came before the County Council for consideration with recommendation by both
6 the Planning Board staff and the Planning Board for, one, approval of the plan, and two,
7 change of the sewer and water category to enable sewer and water service. Ultimately
8 the Council decided against approval of the plan for the stated reasons, quote,
9 impervious area exceeded 15%. I have reasons to believe the impervious area is part of
10 an ongoing criminal act that is appropriate to correct now. The subject Miller property is
11 the town core of Damascus. In addition to adjoining the Damascus Town Center, the
12 Safeway Shopping Center, the Miller property also adjoins the Damascus Community
13 Library, Damascus Service Center and adjacent to the recently constructed United
14 States Post Office. The Miller property was purchased with the intent of providing
15 additional community amenities for the benefit of the people of Damascus as well as
16 additional housing in the town. I'm presently here to request adjustment to the Sectional
17 Map Amendment to provide, one: zoning to accommodate development of a completed
18 Damascus Town Center on the Miller property, and two: sewer and water service to the
19 Miller property by way of category change to S1 and W1. Specifically, I request this
20 sectional map amendment be he revised to provide the Miller property with density of no
21 less than PD10, with A: commercial options, B: cluster option, and C: together with a
22 relaxation or elimination of the impervious area requirement all so as to provide the
23 citizens of the town of Damascus witness a true and completed town core similar to that
24 enjoyed by other communities in Montgomery County. Why should the Master Plan and
25 Sectional Map Amendment deprive the citizens of Damascus with the benefit of a
26 completed town core. Your considerations to my request is important and appreciated. I
27 reserve the option to send additional testimony in writing in a timely way. Thank you for
28 the opportunity to present my appeal. I wish to tell you as an addition that I purchased
29 this property in 1978. It has been the brunt of a lot of political back and forth activity, and
30 I wish to have that corrected. I'd like I also to spare me a couple of seconds. In 1994, I
31 had purchased property in 1978 but in 1994 I communicated cancer, I was operated on,
32 I had an organ removed. I had treatment following that, and I still am with cancer. I
33 purchased this property with the idea that it would be for my retirement. It would delight
34 me if you people would take a second look at what you've done to my property, what
35 you've done as parties to damage to other people, and give consideration to my
36 request. This is not a frivolous request.

37
38 Council President Leventhal,
39 Thank you, Mr. Miller.

40
41 William Miller, Sr.,
42 Thank you so much. I do appreciate it.

43
44 Council President Leventhal,



July 25, 2006

1 Thank you, Mr. Guthrie.

2
3 James Guthrie,

4 How you all doing. My name is James Guthrie and I'm small time compared to all these
5 fellows. I represent myself but if you look on your map I'm the section 6 up there just
6 north of town, Sugarloaf Drive. We saw all the neighbors, there's only a few of us, the
7 rezoning change and everyone was kind of curious and upset as to why we were going
8 to be changed, because there's been rumors for a long time about what's going to be
9 happening that way so I told everybody I'd come up there and talk to you at all. There's
10 only about 10 families up there on Sugarloaf Drive but to go from, but to go from, I
11 believe you call it R2 or RE-2C to RE1 would be doubling the amount of homes there,
12 and it's kind if difficult getting in and out up there and everybody felt it was a little curious
13 that that was happening right now. So they asked me to just come up and find out. I
14 didn't realize I was getting up front in all the big boys. Sorry about that.

15
16 Council President Leventhal,

17 Thank you for your testimony and that concludes this hearing. Thank you for being with
18 us today. We have agenda item 16 before us, to be followed by action, it is public
19 hearing on a special appropriation to the Health and Human Services Operating Budget
20 for adult dental services. In the amount of \$2,793,580. The Council will act immediately
21 following the hearing. We have two witnesses, Mr. John Eckenrode and Ms. Mary
22 Bremere. John, please press the button in front of the microphone and begin.

23
24 John Eckenrode,

25 President Leventhal and members of the County Council. My name is John Eckenrode,
26 I'm a founder and current President of Montgomery Volunteer Dental Clinic. As you
27 probably already know, MVDC ceased operations on June 30, 2006, and presently it
28 scheduled to be dissolved as a corporation, non-profit corporation three weeks from
29 now. Meanwhile, to help close the gap in the dental services, the Department of Health
30 & Human Services has for the time being taken over the center facility offering
31 emergency and abbreviated dental care services. When MVDC began 11 years ago as
32 an Exploratory Committee of the Montgomery County Coalition for the Homeless. It was
33 estimated at the time that there were 60,000 low-income uninsured adult residents of
34 this County between the ages of 19 and 59 who had virtually no access to basic dental
35 care, because of the high cost and lack of public or charitable resources available to
36 bridge that gap. As we began the survey at that time, we received a outpouring of
37 concerns from a wide spectrum of local and nonprofit and Health and Human Services
38 providers who expressed their frustration and their inability to provide dental care to
39 their financially needy adult clients. Thanks to the cooperation between Committee
40 volunteer efforts, and resources provided by County government, and MVDC opened its
41 doors to patients in 1998. Over the next seven years MVDC treated 5,000 individual
42 patients and more than 17,000 scheduled appointments. Waiting list for routine dental
43 care that have that were backed up for months in time were reduced to three weeks and
44 emergencies were being seen in two days or less. In FY 2005 alone 1,000 individual



July 25, 2006

1 patients were seen and 3500 appointments and this was done at an annual expense of
2 \$280,000 which was substantially less than the market value for those services. During
3 the past year we have come to terms with the clinics, as we've come to terms of the
4 clinics' situation and the painful decision to close, we've been heartened by the
5 expressions of concern from individuals, Human Service and Healthcare Organizations,
6 and the County Council wondering what the future oral healthcare will look like for
7 Montgomery County's most needy adult residents. Many of these expressions of
8 concern were reminiscent to those heard during our survey in 1995. It is our hope that
9 dental care will continue to be at least as accessible to at least as many patients with a
10 comparable level of service as existed during MVCD's peak years regardless of the
11 dental care provider. It is our belief that the funding amount proposed by the
12 Department of Health and Human Services could go along way towards making this
13 hope a reality. Therefore, we strongly support this \$293,000 funding proposal as a
14 means to continue efforts to provide oral healthcare to the low-income adults in
15 Montgomery County.

16
17 Council President Leventhal,
18 Thank you, John. Ms. Bremere.

19
20 Mary Bremere,
21 Good afternoon, my name is Mary Bremere and today I'm representing the Lord's Table
22 Soup Kitchen. We appreciate the opportunity to be here today to voice our concerns
23 about the future of dental services in Montgomery County. Specifically our hopes that
24 the future dental services will be at least as accessible to our clients at the Lord's Table
25 as the Montgomery Volunteer Dental Clinic was. MVDC successfully met the dental
26 needs of all of our clients, our working poor, our homeless, and also our folks that have
27 subsidized housing and often cope with multiple disabilities. We believe there are two
28 specific reasons that MVDC was so successful, and we'd like to discuss those reasons
29 briefly here today, and ask you to consider incorporating those elements into future
30 service. The first is location. MVDC was readily accessible by bus, and most importantly
31 it was inside of Montgomery County. Prior to MVDC the only real services for our guests
32 at the Lord's Table was the clinic associated with Howard University Dental School, and
33 I have no doubt that it's a wonderful clinic, but in the 20 years that I've been with the
34 Lord's Table we have never successfully sent anybody there. We have offered to pay
35 transportation cost, metro cost, we've offered to pay for the fees and we've never
36 successfully done it. We believe that it's not just distance but it's also a lack of familiarity
37 with the provider so there's no trust in the services. The second reason is equally
38 important and that's that MVDC had a very simple straight forward one step referral
39 process. It could be information that was requested was very easily verifiable. It could
40 be done by volunteers as well as by case management. In addition to that, MVDC
41 worked very closely with us and they accepted our written statement that people were
42 residents even though they were homeless. They accepted our word for the fact that
43 people had zero income which can, in fact, be a very time costly verification to make.
44 The net result of this was that the turn around services were very fast at MVDC. Non-



July 25, 2006

1 emergencies could be seen as John had indicated within two weeks and our
2 emergencies were seen very often the next day. It was an incredible service.
3 Complicated referral processes those that require multiple verifications for residency or
4 require picture I.D.'s which require birth certificates and trying to find passports and
5 even worse than that, referral processes that require prescreening appointments and
6 then eligibility appointments before you can have an appointment to see the dentist,
7 essentially screens out a very vulnerable populations that are already stressed by
8 poverty issues. Some of them are working two jobs and maybe more. Many are
9 homeless and coping with mental illness and substance abuse and some with
10 developmental disabilities and all the combinations thereof. And so we hope in
11 summary we hope that the future dental services have two things, one that they're
12 located inside of Montgomery County, and two, that they have a simple referral process.
13 So that our clients can continue to use them. Otherwise, they'll go back to what they
14 were doing prior to MVDC which is going from hospital to hospital and emergency room
15 to emergency room looking for antibiotics for abscess teeth and help for pain
16 medication, and you know it's not only unhealthy, this Council has stated several times
17 all it does is drive up everybody's healthcare costs. We don't come here very often
18 unless we have serious concerns, but we do want to express our appreciates to this
19 Council for the increased services that you have funded for the poor and homeless in
20 Montgomery County. Thank you.

21
22 Council President Leventhal,
23 Thank you very much, Mr. Andrews.

24
25 Councilmember Andrews,
26 Thank you for the good work. And for the very thoughtful comments about how to make
27 the service as effective as possible. Certainly oral healthcare is a critical part of overall
28 healthcare. It's pretty hard to concentrate if you have a painful cavity or need a root
29 canal or anything like that, so it's part of the healthcare spectrum that has to be
30 addresses, and thanks for the long work you've done, and I think this is an important
31 first step by the County to address this and I think we need to and take your comments
32 with a great amount of concern, and find a way to make sure that is indeed used and
33 effective, and not structured in way that puts barriers up that are intended but prevent
34 the use of the service. Thank you.

35
36 Council President Leventhal,
37 Very good, well, there are no further questions. I want to thank you both for your
38 testimony. We're sorry that MVDC was not able to make it work permanently. You
39 served a lot of people over a long period of time, and we appreciate that. The Health
40 and Human Services Committee has reviewed the issues relating to dental care and
41 over time we anticipate that dental care will become part of the Montgomery Cares
42 Program, the Health and Human Services department is embarking upon a pilot which
43 utilizes Howard University Dental Clinic as well as space in the County, but in effect,
44 we're simply suggesting the County take over the services that prior that had been



July 25, 2006

1 provided by MVDC. I want to note that in the comments that we got on this issue,
2 concerns were raised about the location of the service and it's accessible by public
3 transportation. And at yesterday's meeting of the Health and Human Services
4 Committee, we decided to schedule a meeting in the fall to talk about transportation to
5 all of our Safety Net Clinics, Dental, Montgomery Cares, Maternity Partnership Program,
6 all of the programs that are providing healthcare to the poor, and Chairwoman Floreen,
7 if you would like to be a joint committee meeting with the Transportation and
8 Environment Committee that's fine. Certainly we want the services to be provided and I
9 appreciate your comments Ms. Bremere, about the County's generosity. We are a
10 generous County, and we are taking on greater responsibility in the absence of
11 responsibility in the absence of responsibility at the federal and state levels. So Health
12 and Human Services Committee does favorably recommends this special appropriation.
13 We look at this as a short-term measure. We hope over the long-term the new approach
14 to dental care will be provided through Montgomery Cares, but for the time being we will
15 be seeing patients much as MVDC had done if the Council supports this appropriation
16 which does now come before favorably recommended by the Health and Human
17 Services Committee. And there are no further comments. Those in favor of the special
18 appropriation in the amount of \$293,580 for adult dental services will signify by raising
19 their hands. It is unanimous. And that concludes today's County Council session. The
20 T&E Committee will meet here at 2:00 p.m., and the PHED Committee is meeting here
21 at 5:00 p.m.

22
23 Councilmember Andrews,
24 Thank you very much.

July 25, 2006



MONTGOMERY COUNTY COUNCIL

George Leventhal, President
Phil Andrews
Nancy Floreen
Thomas Perez
Michael Subin

Marilyn J. Praisner, Vice President
Howard Denis
Michael Knapp
Steven A. Silverman



July 25, 2006

1 Council President Leventhal,
2 ...from the Arts and Humanities community who have been waiting all day, we are in the
3 midst of it and things take longer than we expect sometimes. Welcome, we're now
4 taking up the Arts and Humanities Council Non-Departmental Account and Community
5 Grants for Arts and Humanities. Minna, would you like to give us an overview of the
6 County Executive's budget for the Arts and Humanities and then the HHS Committee --
7 an overview of the Committee's recommendations?

8
9 Minna Davidson,
10 For FY '07, the Executive is recommending \$4.1 million for the Arts and Humanities
11 NDA. This is an increase of \$207,000 or 5.2% over the FY '06 budget of \$3.9 million.
12 The Executive also recommended a total of \$860,000 for grants to Arts and Humanities
13 organizations in the Community Grants NDA. If you put all of the grants together, the
14 total recommended funding is a little over \$5 million, an increase of just about \$1 million
15 last year, or 27% over the FY '06 budget for the Arts and Humanities Council NDA.
16 There is a table in the packet that shows a crosswalk from the FY '06 approved budget
17 to the Executive's FY '07 recommended budget. In terms of the Committee's
18 recommendations, the Committee is recommending funding for the Arts and Humanities
19 Council, NDA totaling about \$4 million. This is an increase of \$58,000 or 1.5% over the
20 FY '06 budget of \$3.9 million. In addition, the Committee recommends placing on the
21 Reconciliation List just about \$2 million. Specific recommendations from the Committee
22 are as follows: First of all, for the grants that were originally budgeted in the Community
23 Grants NDA, the Committee recommended transferring them from the Community
24 Grants NDA to the Arts and Humanities Council NDA. This is like a bookkeeping -- a
25 record keeping -- recommendation, just to consolidate everything in the Arts and
26 Humanities. And the Committee actually reviewed the grants on their merits as a
27 separate item.

28
29 Council President Leventhal,
30 Let me state on that point, last year I know that -- this is consistent with the action the
31 Council took last year and also last year the AFI Silver Theater notified us that because
32 of its contractual arrangement with the County it had a concern about, I guess some of
33 its debt service and other matters if the funds had to go from the County to the AHC and
34 then to the AFI Silver Theater. As we did last year I'm amenable to maintaining the AFI
35 as its own NDA, or as a grant -- I'm not sure -- how did we end up doing AFI last year?

36
37 Minna Davidson,
38 Last year was budgeted in the Arts and Humanities Council NDA, but the grant was
39 administered by the Department of Recreation and I think that worked out well for all
40 concerned and they're ready to do it again that way this year.

41
42 Councilmember Perez,
43 I just -- I was going to make that motion. I'm looking at heads nodding, saying last year's
44 arrangement was acceptable. I want to make sure we keep that...



July 25, 2006

1
2 Council President Leventhal,
3 So, whatever the practice is, it would be consistent with last year's practice?
4

5 Beryl Freiberg,
6 Yes, Mr. Perez and Mr. Leventhal, it was one of the miscellaneous provisions last year
7 that enabled AFI to work their contract through the Executive Branch, and not through
8 the Arts and Humanities Council.
9

10 Council President Leventhal,
11 I believe Councilman McMillan introduced that after the Council had already passed the
12 budget Councilmember McMillan made sure that we took care of that.
13

14 Councilmember Perez,
15 And just -- I know that you all know what's going on. But I periodically get asked by
16 members of the public, what is this about? And as part of our effort to revitalize Silver
17 Spring, to those keeping score at home again, we made some economic development
18 investments and they were good investments. And they're investments are that if you
19 spend any time in Silver Spring you see are bearing fruit on daily basis. One of the
20 investments was to lure a nationally-known entity that, but for our incentives, would
21 have no business, frankly, locating in an area like Silver Spring. And this is in the
22 category of you've got to be willing to invest in order to reap rewards and realize a vision
23 of revitalization. So, I periodically get asked the question, "Well, why is there a subsidy
24 in your budget for the American Film Institute?" We wouldn't have the American Film
25 Institute if we didn't enter into a contractual arrangement to lure them into Montgomery
26 County. That's what economic development is about. If we've had it over again to do, I'd
27 do it in a heartbeat. I suspect all my colleagues would be in the same boat. I wanted to
28 explain that because I periodically do still get asked that question, and it's a fair question
29 when I get asked it. People are often wondering what the situation is. And I appreciate
30 your indulgence, Mr. President, and clarifying this. I think if it were to change, it would
31 unduly alter a contractual arrangement that has us doing things. Thank you.
32

33 Council President Leventhal,
34 Ms. Floreen?
35

36 Councilmember Floreen,
37 Thank you, Mr. President, I'm not sure if this is the right time to ask my question. I have
38 just an overview question about the -- the big picture here. Is this the right time?
39

40 Council President Leventhal,
41 Go ahead.
42

43 Councilmember Floreen,
44 I'm looking at page 3, which has a summary.



July 25, 2006

1
2 Council President Leventhal,
3 We're with you, go ahead.

4
5 Councilmember Floreen,
6 I just wanted to understand, we are looking at all of the Arts issues here, is that
7 correct...

8
9 Council President Leventhal,
10 That's the intent...

11
12 Councilmember Floreen,
13 ...between item 10 and 11? I just wanted to understand what the -- at the bottom where
14 we have the grand totals, the County Executive recommended \$5 million and change
15 for the Arts and Humanities Council transition, Cultural Facility Grants, Community
16 Grants, and we had our direct request thing. And then the Committee itself recommends
17 \$4 million and change, basically, out of all of that, is that correct? With another 1.9 on
18 the Reconciliation List.

19
20 Council President Leventhal,
21 That is correct.

22
23 Councilmember Floreen,
24 So, what we're looking at is basically you reduced the County Executive's
25 recommendation by about a million and then added on a million plus about...

26
27 Council President Leventhal,
28 Almost \$2 million...

29
30 Councilmember Floreen,
31 ...almost another million...

32
33 Council President Leventhal,
34 Almost \$2 million.

35
36 Councilmember Floreen,
37 \$2 million back on the Reconciliation List.

38
39 Council President Leventhal,
40 That's correct.

41
42 Councilmember Floreen,
43 And that takes care of all the Arts issues?
44



July 25, 2006

1 Council President Leventhal,
2 That's what we're on -- that's the Agenda Item we're on right now.

3
4 Councilmember Floreen,
5 And do we know -- how does this compare to last year?

6
7 Council President Leventhal,
8 Minna?

9
10 Councilmember Floreen,
11 Do we have a total? It's from different categories so it's always tricky to follow.

12
13 Minna Davidson,
14 There is a crosswalk showing what was funded last year, but if you're asking how much
15 was on the Reconciliation List...

16
17 Councilmember Floreen,
18 No, I'm just asking what was the total -- ooh!

19
20 Unidentified Speaker,
21 Are you okay?

22
23 Councilmember Praisner,
24 She's probably embarrassed more than hurt.

25
26 Councilmember Floreen,
27 You okay?

28
29 Unidentified Speaker,
30 I'm fine.

31
32 Council President Leventhal,
33 Okay, thank you.

34
35 Councilmember Floreen,
36 Jeez.

37
38 Council President Leventhal,
39 Okay.

40
41 Minna Davidson,
42 If you look at Circle 6, there is a crosswalk from what was approved last year to what
43 the Executive recommended for FY '07.



July 25, 2006

1 Councilmember Floreen,

2 So, last year what was approved was \$3.9 for Arts. And that was the same category of
3 Arts and Humanities and arts grants of that nature?

4
5 Minna Davidson,
6 Yes.

7
8 Councilmember Floreen,
9 Okay, that's the information that I wanted. Thank you.

10
11 Council President Leventhal,
12 Okay. So, just moving ahead into the issues then -- oh, I'm sorry, Ms. Praisner wanted
13 to make a general comment.

14
15 Councilmember Praisner,
16 Yes, I wanted to make a general comment because much as we've had conversation in
17 the past about the County's commitment to affordable housing and not showing the
18 other non-appropriated items, I had asked staff to take a crack at some specific venues
19 and ask for the ongoing support, including the extent to which there are facilities in
20 public buildings that receive utility -- or not utility, but receive some maintenance and
21 some building support. Including Black Rock, which I think pays \$1 to -- the Arts pays
22 \$1 to the County annually for the use of the building. I think it's very important in the
23 coming year for us to -- within any budget document -- to articulate the specific total
24 commitment of County government to the Arts. Not just the grant pieces that may be,
25 but the maintenance costs or the utility costs where they are or the building that is
26 provided or the dollar amount for rent, which is nominal in some places or another.
27 Because when other private sector individuals come in for some support, periodically,
28 they tend to bear the brunt of where the reductions are, rather than the areas where
29 there is such a significant contribution that is not reflected. Mr. Perez talked about AFI,
30 and that's a significant one. And based on a contractual relationship that was negotiated
31 by the County Executive that the Council, in essence, knew generally about, but not
32 specifically about. Or elements of Strathmore, with folks not understanding the ongoing
33 assumptions in the master plan for Strathmore as a facility -- as a multifacility site. And
34 now as we've implemented, not just the mansion, but the Performing Arts Center. There
35 are ongoing expectations for maintenance and facility that the County obviously takes
36 care of there that are not covered when you talk about the Arts and Humanities
37 community in general. So, I say that for two reasons. One, I want the public, including
38 the Arts advocates and supporters, to have a true reflection of the County support for
39 the Arts, not just the grants that go on. So that for AFI over each year it varies but there
40 are significant dollars, or for Strathmore each year, but there are significant dollars -- or
41 for Imagination Stage. We went to Imagination Stage -- or at least Ms. Krahnke did --
42 and talked about the confirmation with the garage there and a wonderful facility. But if
43 we don't keep a running record about what are the obligations and relationships that
44 may not get the visibility that they do, just the dollars get shown. You do get, as Mr.



July 25, 2006

1 Perez said, some community members who think you can just take money when it isn't -
2 - take money from someone else and give it to another organization. Or we do wet from
3 the Arts and Humanities community, a concern about a level of government support for
4 the Arts. And I don't think we're getting credit, just as I didn't think we were getting
5 enough credit for affordable housing support. Payment in lieu of taxes. People don't pay
6 the same kind of property tax for affordable housing units. There's folks in facilities. And
7 this should quite honestly, I think, help or shape us, such that before we go into another
8 relationship, if any, we are clear as to whose responsibility what is. So that we reflect it
9 on an ongoing basis, not on a one-time as looking nominal, but over the long run, it's
10 quite excessive -- or quite expensive. And I don't think that is adequately reflected. So, I
11 did get some information that I found very interesting. When we look at private sector
12 requests it's going to affect my look at the private sector needs from a one-time basis as
13 opposed to those that we're carrying, for whatever reasons, for the County on an
14 ongoing basis. And I don't think they should be treated the same. And I think we need to
15 look more rigorously at any future financial relationship. I personally don't want to start
16 any more until we have a clear understanding of what's going to be the implications. So,
17 I just wanted to say that before we start.

18
19 Council President Leventhal,

20 Well, I appreciate the Vice President's observations and I do think -- I have, over the last
21 couple of years including this year, tried to identify all support for the Arts and
22 Humanities and put it in a single place, such that those who pay attention to our budget
23 know where it is. Last year when the Council took an actual contested vote to do that
24 the outcome was that the press played it as though we were somehow spanking the
25 County Executive for supporting the Arts. That's not the case at all. I think our support
26 for the Arts should be robust. It is robust. And we, last year, significantly increased
27 support for the Arts and Humanities. And this year we will again significantly increase
28 support for the Arts and Humanities. I just think it's important that we can track that, so
29 that we know how budget resources are going to the Arts and Humanities *vis-à-vis* the
30 many other aspects of County government that we support. And what we will find,
31 because Arts and Humanities is sometimes criticized, is that the percentage of the total
32 budget that we spend on Arts and Humanities is very, very small compared to the other
33 agency budgets that we will deal with today, of course, starting with Schools and Health
34 and Human Services and Fire and Rescue. Which are three, in that order, biggest
35 claimants. So, we are not spending too much on the Arts and Humanities and I've never
36 suggested that. What I hope we can do is bring some logic and some reason to the
37 methods we use for funding the Arts and Humanities. My hope since statute actually
38 specifies that the Arts and Humanities Council of Montgomery County is the Arts and
39 Humanities agency for Montgomery County, is that we will continue to have them play
40 the role of being the first point of entry for Arts organizations that are looking for help,
41 the first source of recommendations, both to the County Executive and to the County
42 Council as to which Arts and Humanities organizations should receive funding and why.
43 The problem is this year we have not succeeded in my goal of centralizing that role in
44 that one place. Why? Because we still have not gotten away from past practice, where



July 25, 2006

1 individual Arts institutions, developed separate relationships and got substantial
2 amounts of funding as line items in the budget and they had no reason to go through
3 the Arts and Humanities Council. In fact, many of them, still believe they will be treated
4 better if they don't go through the Arts and Humanities Council. We will see what
5 happens over time. This year we have a little bit of this and a little bit of that. And so the
6 problem is that a substantial increase for the Arts recommended by the County
7 Executive is being portrayed to Arts organizations as a cut in funding for operating
8 support for the Arts. Let's just move on into the Arts and Humanities Council budget
9 item now, where the County Executive recommended the same amount for operating
10 support, \$976,000, as he recommended in '06. Level funding. Meanwhile, he
11 recommended substantially more for a variety of specific organizations. The operating
12 support formula is such that more organizations are now eligible under the rules of the
13 Arts and Humanities Council. And so as a larger litter of puppies is feeding at the dinner
14 tray, the Arts and Humanities Council has communicated to each of those organizations
15 that their funding is being cut by the County Executive and the County Council, when for
16 operating support, there is one small item in the budget. That funding is level. And for
17 many organizations, they're receiving substantially increased funding through these line
18 item set-asides. And I don't have an answer to that this year. And it's not for me to
19 dictate to the Arts and Humanities Council how many organizations should or should not
20 be eligible. In fact, as I said many times, I'm the wrong guy to make that judgment.
21 When we had the discussion in Committee -- and I will call out their name because it's
22 on the record -- it was called out in Committee, Theresa Cameron, the Executive
23 Director of the Arts and Humanities Council, pointed out that an excellent organization
24 that is eligible for funding this year that was not eligible before, that everyone
25 recognizes as superb and worthy is "Tappers With Attitude." I wish them nothing but
26 success. I can't judge. Don't ever ask me to tell you if "Tappers With Attitude" is or is not
27 eligible for public funding. I can't do it. I'm the wrong guy to do it. I'm glad the Arts and
28 Humanities Council is there to make that judgment, but we can't have an endlessly
29 growing formula and at the same time an endlessly growing list of set-asides. That can't
30 work. So, for operating support, the County Executive recommended \$976,000 and the
31 Committee went along with that. The Arts and Humanities Council believes that an
32 additional \$457,671 would be necessary to keep all of these organizations at a 4% rate
33 and the HHS Committee did not go along with that. But the HHS Committee did agree
34 to add \$100,000 to the Reconciliation List for operating support. Ms. Floreen?

35 Councilmember Floreen,

36 I just wanted to say I appreciate the good work of the Committee on this issue. I think it
37 is a very difficult situation that the Committee worked through and I commend your hard
38 work and the difficult decisions that were made. But I would like to keep this issue in
39 play as we continue to work through the budget. And I would like to move that we put
40 the -- I guess it would be the \$357, 671 on the Reconciliation List.

41
42 Council President Leventhal,



July 25, 2006

1 Mr. Silverman, are you going to second that? Where is he? No, this is the extra money
2 for all the operating...

3
4 Councilmember Floreen,
5 This is the operating...

6
7 Council President Leventhal,
8 ...\$357,000...

9
10 Councilmember Floreen,
11 This is the operating supplemental that would bring it to up to the 457 that they've
12 requested.

13
14 Council President Leventhal,
15 Go ahead. Mr. Silverman.

16
17 Councilmember Silverman,
18 I will second it and be happy to support it, but I also wanted to make sure -- I can't
19 remember where we are in Reconciliation List land. I wanted to make sure that at least
20 the next installment, if we don't do all of that is on the Reconciliation List.

21
22 Council President Leventhal,
23 \$100,000 is already on the Reconciliation List.

24
25 Councilmember Silverman,
26 But -- no. Then the next -- okay, then ...

27
28 Council President Leventhal,
29 You want to go to a 5%?

30
31 Councilmember Silverman,
32 No! No. I want to support this, but I also want to, after this is voted, I want to put the...

33
34 Minna Davidson,
35 It's \$160,657...

36
37 Councilmember Silverman,
38 ...on the list as well, in case the Council does not pull off the entire amount. That at least
39 will keep people whole, that extra 160. So I will make that motion after...

40
41 Council President Leventhal,
42 Well, it won't keep them whole because additional new claimants are getting money that
43 never got money before. So...



July 25, 2006

1 Councilmember Silverman,
2 It will keep them at a status quo position...

3
4 Council President Leventhal,
5 And add new ones.

6
7 Councilmember Silverman,
8 Right.

9
10 Council President Leventhal,
11 So, the motion is made by Ms. Floreen and seconded by Mr. Knapp to add \$357,671 --
12 We're going to need a role call vote on this because I'm voting against it. Others will
13 vote their conscious. Those in favor of the motion will raise their hands. It is Mr. Knapp,
14 Ms. Floreen, Mr. Denis, Mr. Subin, and Mr. Silverman. Those opposed will signify by
15 raising their hands. It is Mr. Andrews, Mr. Perez, and myself. The \$357,671 is added to
16 the Reconciliation List. Mr. Silverman.

17
18 Councilmember Silverman,
19 Okay, I will move -- what is it, Minna, 160...

20
21 Minna Davidson,
22 \$160,657.

23
24 Councilmember Silverman,
25 \$160,657, and with the understanding that I hope we will still get the entire amount off of
26 the Reconciliation List, but if it's a choice between 100 and the 476 with no middle
27 ground, we may not have those options.

28
29 Councilmember Floreen,
30 I will second.

31
32 Council President Leventhal,
33 Okay, the motion is made by Mr. Silverman, seconded by Ms. Floreen. Those in favor
34 will signify by raising their hands. It is Mr. Knapp, Mr. Silverman, Mr. Subin, Ms. Floreen,
35 Mr. Denis. Those opposed are myself, Mr. Andrews, and Mr. Perez. Okay, we -- all
36 right, that's operating support. Project grants: there was -- the County Executive
37 recommended \$95,856. The HHS Committee recommended adding an additional
38 \$44,140. On Artist Fellowships the County Executive recommended -- what did the
39 County Executive recommend? I have to go back and forth here. Artist Fellowships,
40 County Executive recommended \$12,000, same amount as last year. The HHS
41 Committee recommended an addition of \$12,000 on the Reconciliation List. Salary
42 parity for Administration: this is the second year of a multiyear effort to fulfill the
43 outcome of a study commissioned by the Arts and Humanities Council, whose staff
44 remains well below comparable staff salaries, in other jurisdictions' Arts agencies. And



July 25, 2006

1 so the Committee recommended two increments of \$75,000 each for a total of \$150,000
2 on the Reconciliation List for salary parity at the Arts and Humanities Council. For
3 strategic planning: the Committee agreed that there is a great need for strategic
4 planning in this area and recommends \$25,000 for an Arts and Humanities Council
5 Strategic Planning Initiative. On Transition Grants -- I'm going to ask Theresa Cameron
6 to come join us here. Now, Transition Grants were recommended by the County
7 Executive. The Arts and Humanities Council had made recommendations to the
8 Executive Branch for those, but these are not actually one of the programs that the Arts
9 and Humanities Council implements at the present time, the recommendations were
10 made by the County Executive. Could we get from you, Theresa, a definition of what
11 constitutes a Transition Grant in your mind?

12
13 Theresa Cameron,
14 What we did this year -- and thank you all, it's Theresa Cameron with the Arts and
15 Humanities Council, and this is Ron Wolfsheimer who is my Board Chair. This was the
16 first year that we had an opportunity to actually have a process for Transition Grants.
17 And Transition Grants really are for organizations who have gone through significant
18 changes, whether it be in staffing, facilities... And what happened this year is people
19 applied and then we took and sent those all to the County Executive for him to review,
20 and then he made the selection of what would be put in the budget. There wasn't a
21 panel review process because everyone who applied for Transition Grants had already
22 gone through a panel review process with our operating support. So this also allowed
23 the Executive to have some leeway on what he would like to do for decisions. They
24 went forward to the Executive and that was recommended in his budget.

25
26 Council President Leventhal,
27 How long is transition? What's the definition -- what's the period of time?

28
29 Theresa Cameron,
30 I think it's about two to four years. But this is something that's come about because
31 there's been a trend from the Executive side, which is great, that -- looking at our
32 organizations who are moving into facilities and needs. And most of these organizations
33 -- several of them this year are one-time. Where they're really not going to come back. I
34 do think that through the strategic planning process we need to make some guidelines
35 about how long is Transition Grants, because I don't think we have a really good
36 definition as of yet, because it is such -- it's a newer category.

37
38 Council President Leventhal,
39 Okay, so, the amounts -- I'm on page 10 now -- approved by the Committee were
40 \$350,000 for the Baltimore Symphony Orchestra, which was the same amount as the
41 County Executive's recommendation. City Dance Ensemble: the County Executive
42 recommended \$100,000, the Committee went along with that. Glen Echo Park
43 Partnership, what is the item on which you want to speak, Mr. Silverman?



July 25, 2006

1 Councilmember Silverman,
2 Strath... When we get to Strathmore, okay.

3
4 Councilmember Perez,
5 Wrong one, Mr. Silverman. I think you want to speak on page 11.

6
7 Council President Leventhal,
8 That's okay. And you, Ms. Praisner, are you going to want to speak...

9
10 Councilmember Praisner,
11 Baltimore Symphony.

12
13 Council President Leventhal,
14 Well, go ahead.

15
16 Councilmember Praisner,
17 Okay, I assume, then, Theresa, your definition of transition is very broad, as well?

18
19 Theresa Cameron,
20 Yes. And this was developed with the Executive Branch, as well, so, it is broad, indeed.

21
22 Councilmember Praisner,
23 I guess I'm having a problem with putting money into marketing and advertising for
24 programming that's going on as part of the overall marketing and advertising for
25 Strathmore and trying to understand why it needs a separate marketing and advertising
26 amount of this quantity when we're already doing marketing for the Baltimore Symphony
27 as part of the overall Strathmore presence.

28
29 Theresa Cameron,
30 There is a representative from the Baltimore Symphony, if you would like to...

31
32 Councilmember Praisner,
33 It's up to the Council President. I don't know if you discussed this within Committee or
34 what, Mr. Leventhal, but it's...

35
36 Councilmember Perez,
37 It depends on what you're referring to.

38
39 Council President Leventhal,
40 \$350,000 for Baltimore Symphony Orchestra.

41
42 Councilmember Praisner,
43 The Baltimore Symphony transition used for marketing and advertising for Strathmore
44 concerts. And to me, I don't understand the separation for advertising for Strathmore



July 25, 2006

1 concerts by the BSO when you're doing advertising for Strathmore, period. So that was
2 my question. It seems like a lot of money for one organization to market related to
3 Strathmore. That was my point.

4
5 Council President Leventhal,
6 Okay, do you want Mr. Mael to come and answer...

7
8 Councilmember Praisner,
9 I don't care The Committee did not discuss that piece?

10
11 Council President Leventhal,
12 No, we did not. We had a conversation and had it again here about how long is
13 transition. I see -- Mr. Mael, why don't you come on down? I see language on page 10
14 that says, "The BSO intends to continue to apply for transition funding until contributed
15 income reaches appropriate levels when supplemented by operating support from the
16 AACMC." Is the BSO getting operating support as part of the Operating Support
17 Program?

18
19 Theresa Cameron,
20 It will be coming in this year for, as an affiliate, yes.

21
22 Councilmember Praisner,
23 But -- so maybe my question is the other organizations that I see transitioning have a
24 significant event associated, and if you're going to continue to apply until you break
25 even, so to speak, that's a problem for me.

26
27 Council President Leventhal,
28 Would that be a decade, would that be a century, how long would -- what would the time
29 frame be?

30
31 Michael Mael,
32 I'm Michael Mael, Vice President of the Baltimore Symphony here, a long-time
33 Montgomery County resident. The first thing I want to make sure the Council and I think
34 many of you understand, the Baltimore Symphony at Strathmore is a separate
35 organization from the Strathmore Hall foundation. Separate organizations, separate
36 budgets, all the work we do, all the advertising, all the marketing -- in fact, we are a rent
37 payer at Strathmore. We account for 15 to 20% of Strathmore revenues based on rents
38 and fees that we pay to Strathmore. So, we are separate organizations. We don't pay to
39 market their activities. They don't pay to market our activities. We are entirely separate
40 organizations. I think that's an important distinction to make sure that the Council
41 understands. In terms of the transition funding, there was no mechanism for the
42 Baltimore Symphony, who has a budget of approximately \$6.6 million for our activities in
43 Montgomery County alone. There was no mechanism for us to get funding until this
44 year, when we are now eligible to apply for funding through the Arts and Humanities



July 25, 2006

1 Council. The Transition process, as you know from our discussions, the definition of
2 transition, I suppose, is something that the Council and the Arts and Humanities Council
3 needs to decide. We've been there for less than a year and a half. We think this is a
4 commitment that will take many years to build up. How long the transition period is is
5 really dependent on the Council and the Arts and Humanities Council. I would point out
6 that there are others at Strathmore like us who are receiving transition funds that have
7 been in the County for many years, and also in the same transition funding.

8
9 Councilmember Praisner,

10 With all due respect, I have a problem with saying we are going to keep giving you
11 transition funding until your income level reaches a certain level. That's not a message
12 that I think we need to send to any Arts group, because I'm not sure that there's an
13 incentive there to get off of transition funding with that. You're going to keep asking --
14 well, I guess a piece of that is going to be the work that needs to be done on the
15 definition of transition and the frequency of it or what level. But there are, it seems to
16 me, policy issues that we need to talk about. If it's an income level that has to be
17 generated before you've reached ineligibility for -- or move out or graduate out of
18 transition.

19
20 Michael Mael,
21 I would say...

22
23 Councilmember Praisner,

24 But if transition is associated with dollar amounts, then I think we have a problem
25 because we're going to send a message to everybody that as long as you have the
26 deficit in your program funding, that you're eligible for transition.

27
28 Michael Mael,

29 Actually in our case, we look to this County for a very, very small percentage of what we
30 spend here. As I say, our budget for spending in the County -- not including anything in
31 Baltimore -- in the County, is in excess of \$6 million. So the amount that we're going to
32 get from this County is critical to our success here.

33
34 Councilmember Praisner,

35 Then we're just going to have to agree to disagree, because I think the philosophy is
36 one that I don't share, which is to say that this transition funding category is for any
37 organization that is running a deficit in its programming and to come in for. That's not
38 the general assumptions, that's what the grant category is, based on the category you
39 will now be eligible for, is some support for your programming. But if we start with
40 saying that until you get enough income to balance your operating costs, I think we're
41 going to have a problem and it speaks to the comment I made earlier about the lack of
42 support or measure of government support. I think it's an issue that we will have to
43 continue to look at. I look forward to hearing the Arts and Humanities Council develop a



July 25, 2006

1 policy of some kind that differentiates transition from -- and defines transition from the
2 ongoing operating support, which the grants reflect, in my view.

3
4 Council President Leventhal,

5 I don't want to delay this unduly, but this is an example for my colleagues. Because,
6 Michael, if I'm hearing you correctly, the total budget for BSO at Montgomery County is
7 \$6.6 million, is that right? Of which \$350,000 is, give or take, about 5%. Okay, so what
8 we see here is that by the drain on the AHC Program, by setting aside money for each
9 of these specific transition funds, what the AHC is trying to get to is a set percentage of
10 operating dollars each year, which this year they're scrambling to keep that 4%. They'd
11 like to get -- they would like, whether it's ever feasible, who knows -- to get to 10%. If, in
12 fact, you didn't get this set-aside and if one day we ever got to 10%, 10% of \$6.6 million
13 is \$660,000, which is more than this. But we can't do that because we're doing this. So,
14 you know, we're all eating out of the same cereal bowl. We can't continue to do these
15 specified set-asides for worthy endeavors and increase the program funding, which
16 would mean you didn't have to have an argument with Ms. Praisner. If you were entitled
17 to a certain percentage each year and if, over time as the County grew, we were able to
18 be more generous and that percentage could gradually creep its way up, then Olney
19 Theater wouldn't have to give me a bowl full of chocolate every year, and you wouldn't
20 have to be arguing with Ms. Praisner. We wouldn't have to go through this grant by
21 grant. Arts organizations would know that here was a mechanism by which they get
22 funded and everyone could pitch in together and support the Arts and Humanities
23 budget. So, when I propose this, it's not because I want to cut organizations off from
24 support, but it would be a logical overarching way of doing the support, but that's
25 nowhere we're at today. If we cut the \$350,000 and put it into Theresa's budget that
26 would make fans of the BSO unhappy and I'd have to -- you know, my voicemail would
27 shut down and my e-mail inbox would shut down. I am trying to explain this in a way
28 that makes sense. This is a valuable example. The set-aside of \$350,000 -- which I
29 predict you'll get -- which won't go to the AHC program, is not that different from the
30 amount that you'd get if the same \$350,000 were in the AHC Program and you got a
31 percentage of your operating support from AHC. At least within a couple of years we
32 might get there. So I appreciate the example.

33
34 Michael Mael,

35 I would just say -- and obviously we're grateful for what this Council has done to help us
36 move into Strathmore. There are several other organizations at Strathmore including the
37 National Philharmonic who are in a comparable position to us. And I would say on
38 behalf of myself, certainly as a grantee of the Council, that the more clarity -- and to
39 your point, Mr. President -- the more clarity and the more direction we get I think would
40 benefit all of us down the road. So I certainly appreciate that.

41
42 Council President Leventhal,

43 Thank you.



July 25, 2006

1 Theresa Cameron,
2 I just would like to say that's the reason why we want to do the strategic plan. We've
3 evolved a unique way because of everything that's happened related to facilities, so we
4 really need to take a close look, like Councilmember Praisner's saying, about the
5 facilities and funding, and as much as we can get everyone on the same train. I do think
6 there are extraordinary circumstances that arise, like American Film Institute, but it
7 would be very beneficial to have -- and we hope in six months we will have information
8 to bring to you because the RFP is going out for the strategic plan in the next week.

9
10 Council President Leventhal,
11 Okay. The Committee agreed with the County Executive on \$89,490 for the Glen Echo
12 Park Partnership. The Committee agreed with the County Executive on \$200,000 for
13 Round House Theater. Again, the same observation could be made. If we were not
14 doing the set-aside for Round House Theater it's certainly feasible that Round House
15 could get its operating support through a percentage mechanism. I hope we can go
16 there in the future. Strathmore Hall Foundation: the Committee took a Non-
17 Recommended Reduction of the \$200,000 recommended by the County Executive. And
18 Mr. Silverman wanted to speak to that.

19
20 Councilmember Silverman,
21 Thank you, Mr. President, I've had extensive opportunities to discuss this issue since
22 we had our original Committee recommendation and have a much better understanding
23 of the fiscal challenges that the Board faces, and so I'm going to reverse my position in
24 Committee and I would move to keep this in the County Executive's budget.

25
26 Council President Leventhal,
27 Okay, so Mr. Silverman is moving to put the \$200,000 back in the budget.

28
29 Councilmember Perez,
30 I second that.

31
32 Council President Leventhal,
33 Mr. Silverman moved and Mr. Perez has seconded putting this back in the budget. Is
34 anyone here representing the Strathmore Hall Foundation?

35
36 Theresa Cameron,
37 Monica Jeffries is here, yes.

38
39 Council President Leventhal,
40 Okay, Monica, come on up, please. Please press your button and introduce yourself.

41
42 Monica Jeffries,
43 Monica Jeffries, Executive Vice President for Administration at Strathmore.



July 25, 2006

1 Council President Leventhal,
2 Is Strathmore Hall in trouble?

3
4 Monica Jeffries,
5 No, sir.

6
7 Council President Leventhal,
8 Are you facing dire financial circumstances?

9
10 Monica Jeffries,
11 No, sir.

12
13 Council President Leventhal,
14 So what is the \$200,000 -- I mean is it not a self-sustaining operation? And is it not
15 getting other operating support from the County? Is this the only support that
16 Montgomery County is giving for Strathmore Hall Foundation this year?

17
18 Monica Jeffries,
19 No, Strathmore applies regularly for the County and state Arts Council operating grant
20 programs, as we have for many years. We have achieved great success, I think, in
21 opening the facility. We have experienced some greater than anticipated challenges in
22 servicing the numbers of people who have come through with security, ticketing
23 operations, Those costs can be supported by about 60% -- or 60% of those costs could
24 be supported by earned income through earned ticket sales but the rest must be
25 supported by contributed income, And contributed income is where we are experiencing
26 the challenges in building a philanthropic economy along with all of our other colleague
27 institutions.

28
29 Council President Leventhal,
30 What percentage of Strathmore's private support did Lockheed Martin represent?

31
32 Monica Jeffries,
33 I don't know the percentage, but it was roughly \$100,000.

34
35 Council President Leventhal,
36 And has that now been withdrawn?

37
38 Monica Jeffries,
39 It has been reduced.

40
41 Council President Leventhal,
42 Ms. Praisner?

43
44 Councilmember Praisner,



July 25, 2006

1 I had a question about the accessibility issues with Strathmore. It says some of these
2 funds are -- in the packet, the discussion leaves an impression that you've had things so
3 good that you need more money because of the additional burden. That's a condition
4 I'm sure that's a very positive one. But we have had a number of comments I have had,
5 personally, about folks with disabilities having access problems. So, the extent to which
6 -- how much of this money is for additional marketing, how much of it is for unexpected
7 costs associated with better turnout than you expected, and how much of it is for
8 persons with disabilities to improve access?

9
10 Monica Jeffries,

11 With regard to accessibility... With regard to accessibility, we made several
12 improvements upon opening the Center as a result of our feedback from our community
13 regarding difficulties they may have had. We've instituted a golf cart program across the
14 pedestrian bridge from the garage. We now have assigned patron service ushers at all
15 entrances with wheelchairs. And they assist patrons to their seats and stay with them,
16 and then help them exit the building as well. We've received a great number of
17 compliments for this program since it was instituted, and to our knowledge and
18 understanding, have not received many significant complaints, I would say, within the
19 last six to eight months.

20
21 Councilmember Praisner,

22 So, how much of the \$200,000 that you're requesting is for each of these items?

23
24 Monica Jeffries,

25 \$45,000 for the cost of servicing the additional patrons with security extra hours that
26 we're operating, web site service, and ticketing, about \$75,000 for additional technology
27 refinement to implement those services -- they were about 300% greater than
28 anticipated at the time of opening -- and about \$80,000 for building the new audiences
29 that are thankfully now starting to come and for developing that philanthropic economy
30 and community that we're so needing.

31
32 Councilmember Praisner,

33 Where is the disability piece that the packet makes reference to, none of that?

34
35 Monica Jeffries,

36 No, no, it fits into the \$45,000 for the cost of servicing the greater audiences. That usher
37 core that has now been instituted to service those patrons is within that amount.

38
39 Councilmember Praisner,

40 So, there really isn't any specific disability piece, though?

41
42 Monica Jeffries,



July 25, 2006

1 There is -- there is, in terms of continuing the golf cart service, the patron services at
2 every entrance and exit. Those are all real costs that Strathmore bears for every
3 program that is taking place there.

4
5 Councilmember Praisner,
6 Okay, thank you.

7
8 Council President Leventhal,
9 Minna, when is our next scheduled update on Strathmore? We were supposed to get
10 those quarterly and I think we moved it back to every six months?

11
12 Minna Davidson,
13 Yes, I don't believe we have one scheduled, but I think we could arrange one for over
14 the summer.

15
16 Council President Leventhal,
17 I had heard that Lockheed Martin changed its philanthropic priorities and that the Arts
18 were no longer as high on its list as it had been prior. My real concern, and this is a very
19 serious concern here, is that in the absence of Lockheed Martin, why would any other
20 private sector funder be stupid enough to step up and make up the difference if we
21 know that Montgomery County will always make up the difference? Why would the
22 private sector ever step up to support Strathmore if "Well, Lockheed Martin, we're down
23 about 100,000 but, hey, the County is picking up 200," So that sends the wrong signal
24 to the private sector. We're here. Uncle Montgomery, we'll do it. So, if Lockheed Martin
25 is interested in other things, no sweat, no loss, because the County will always come up
26 with the difference. I think that's a bad message to send. Mr. Perez?

27
28 Councilmember Perez,
29 We've had the conversation. I won't prolong it. We have a long afternoon. I would simply
30 observe -- I've mentioned that a number of times. I would observe that that is true. You
31 can substitute the Olney Theater, you can substitute Black Rock, you can substitute just
32 about every organization that's in this setting. We've had the debate about whether -- I
33 would call it "Monty," just to be a little informal -- whether "Uncle Monty" is -- has
34 become an enabler. It's a fair question to ask. If the context of Strathmore, my own view
35 is that we've built this place, it's a wonderful place. I had major issues with the cost
36 sharing arrangements and why it was that we were the only concert venue in the United
37 States that was funded entirely by the taxpayer? Why we didn't have the private sector?
38 I looked at every other concert venue that's been constructed across America, but only -
39 - another "Only in Montgomery" moment -- would the taxpayer foot the entire Bill.
40 Having said that, we've done it. And it just strikes me the challenge at Strathmore is to
41 make it work and make it work well so that we can wean ourselves over time. That's
42 why I supported this in the Committee. I understand that reasonable people can differ, I
43 respect the point you've make, Mr. Leventhal, I've made the same point. But I think we
44 can have the conversation in connection with just about every large or medium or small



July 25, 2006

1 Arts venue in the County. So that's why I did what I did. And I want to get Strathmore off
2 the ground and off the County dole as soon as possible. I think that doing this will
3 attempt to facilitate this. We're always going to be in partnership. And there's always
4 going to be challenges with the BSO. It's the nature of the product that they sell. I don't
5 mean that disrespectfully. Look at the bottom line in Baltimore, it's a similar challenge,
6 once we made a decision to get into the business, you know, that's the consequence of
7 the decision that we made. And we can quibble about whether it was the right decision,
8 we've made it, I don't think that's the right question to be having. I think the question
9 presented is how do we make it work?

10
11 Council President Leventhal,
12 Okay, is Minna's packet correct, Monica, that this is a one-time request that would assist
13 with ramp-up issues identified in the first full year of operation? Will we be back next
14 year with a Transition Grant?

15
16 Monica Jeffries,
17 No, it is our understanding that this will help us get to steady state. We, too, look
18 forward to an equitably applied definition of transition. This was an Arts and Humanities
19 Council program and that's why we applied, we were eligible and submitted the
20 application.

21
22 Council President Leventhal,
23 Okay, is it a one-time request?

24
25 Monica Jeffries,
26 Yes.

27
28 Council President Leventhal,
29 Ms. Floreen?

30
31 [LAUGHTER]

32
33 Council President Leventhal,
34 Ms. Floreen?

35
36 Councilmember Floreen,
37 Thank you. I think Tom put his finger on it. This is actually a pretty unique situation. This
38 is a County facility and it is different. Decisions were made before some of us arrived
39 that this was going to be built and constructed. And the real challenge for us is how we
40 can continue the partnership with the private sector and really get it to be a private
41 sector managed facility on County property. There continues to be a feeling that -- that
42 the Strathmore Foundation is somehow on its own here and I don't think that is
43 anyone's real intention here, but the fact of the matter is that we have to spend money
44 as a County to make money to strengthen the partnerships and to get this into a



July 25, 2006

1 different playing field. It's going to take some time. And this is a challenge and creative
2 effort that's a new arena for the County. It chose to take this path and it will obviously
3 take some time before we don't see this on the list. But I do think we always have to
4 remind ourselves that this is a County facility. And it has, as a result of that, we can
5 focus and it's required to focus on a wide range of services and productions to serve a
6 wide range of County residents. That might not be the case if it were entirely a private
7 facility or, frankly, a number of the other facilities out there.

8
9 Council President Leventhal,
10 It would appear that this is going to get on the Reconciliation List -- I don't care whether
11 we have a recorded vote or not.

12
13 Councilmember Silverman,
14 That isn't my motion.

15
16 Council President Leventhal,
17 Or that would put it back in the budget -- let's go ahead and vote. Those in favor of the
18 motion will signify by raising their hands. It is Mr. Knapp, Mr. Perez, Mr. Silverman, Mr.
19 Subin, Ms. Floreen, and Mr. Denis. Those opposed are Mr. Andrews, Ms. Praisner, and
20 myself. On the Imagination Stage, we had -- County Executive recommended at
21 \$410,000. The Committee recommended \$410,000. I sense a motion coming from Mr.
22 Denis.

23
24 [LAUGHTER]

25
26 Council President Leventhal,
27 Imagination Stage? Mr. Denis?

28
29 Councilmember Denis,
30 To fund it.

31
32 Council President Leventhal,
33 So, they -- they had asked for the \$16,500 over the County Executive's request, they're
34 also separately requesting the \$74,000, which I guess we can get to later in the memo.
35 Are you moving the \$16,500?

36
37 Councilmember Denis,
38 Yes.

39
40 Council President Leventhal,
41 Is there a second?

42
43 Councilmember Praisner,
44 I will second it.



July 25, 2006

Council President Leventhal,
Okay, Mr. Denis has moved and Ms. Praisner has seconded the additional \$16,500. Is there objection to placing that on the Reconciliation List? Without objection it will be added to the list. Ms. Praisner has a question.

Councilmember Praisner,
I actually had a question, if folks can get back to us about the utilities issue, because -- and I don't remember having discussed that before. Maybe we should look at that with the utilities. The issue is they pay the utilities separately. Do they reimburse the County or do they have a separate meter?

Unidentified Speaker,
We have a separate meter.

Councilmember Praisner,
If it were on the same meter it might be a reduced rate, because the County rate is a different rate. I think they're still willing to pay their share, but the question is how they're charged. And since it's a government building, I'm not sure I understand why it's separate. That I'd like folks to look at. I still think they should pay their utilities, but the question is what rate they're charged, if it's on the government rate.

Councilmember Perez,
I believe the BCC Chamber was wondering if you could hook theirs over to theirs then...

Councilmember Praisner,
No, no, no, extension cords!

[LAUGHTER]

Council President Leventhal,
Okay, Mr. Silverman.

Councilmember Silverman,
I'm sorry, Ms. Praisner, I believe the answer is that the Executive is unwilling to renegotiate the lease terms. I've been total that for two years now, as to why we're in this situation. So that will be for another day. They've refused to do that and it's been raised over and over again.

Councilmember Praisner,
The next time I have Utilities and MFP we'll discuss it.

Council President Leventhal,



July 25, 2006

1 Let's do this. What I'd like to do in the HHS Committee, although MFP Committee
2 members are welcome to join us or we could do a joint committee if you want...

3
4 Councilmember Praisner,
5 No.

6
7 Council President Leventhal,
8 I would like to get answers to the first set of questions, Ms. Praisner, where we can
9 evaluate the differences and circumstances among the different facilities for all the Arts
10 and that this effort would help contribute to what the AHC is trying to do on its strategic
11 plan. Let's have one grid that tells us all of the Arts major facilities, which ones are
12 owned by the County, which are privately owned, which one the County is paying
13 utilities, which is not, which one the County is charging rent, et cetera.

14
15 Councilmember Praisner,
16 And what the rent is.

17
18 Council President Leventhal,
19 And so Arts facility issues will be -- the HHS Committee can take that up separately. I
20 want to try to make up time here if we can. National Philharmonic, the Arts and
21 Humanities Council -- I'm sorry, the County Executive recommended \$250,000, the
22 Committee agreed with that for the National Philharmonic. Mr. Denis, do you have I
23 comment on National Philharmonic? Mr. Denis, your light is on.

24
25 Councilmember Denis,
26 No.

27
28 Council President Leventhal,
29 Okay, on Olney Theater Center the County Executive recommended \$250,000 and the
30 Committee agreed with that \$250,000 for Olney Theater Center. For the Liz Lerman
31 Dance Exchange, the Executive recommended zero, but the HHS Committee placed
32 \$150,000 on the Reconciliation List for the Liz Lerman Dance Exchange. For the Puppet
33 Company the County Executive recommended zero. The HHS Committee placed
34 \$200,000 on the Reconciliation List for the Puppet Company in two increments of
35 \$100,000 each. For the Create Arts Center the County Executive did not recommend
36 anything and the HHS Committee recommended \$25,000. Let me just say that for...
37 Well, that we have -- I believe we have Arts and Humanities Council recommendations
38 on all of these projects. They were all favorable on each of the projects.

39
40 Theresa Cameron,
41 These projects were transition projects...

42
43 Council President Leventhal,
44 Press your button.



July 25, 2006

Theresa Cameron,
These projects, again, were transition projects. They have all gone through Operating Support Grant Panel Review. The Transition Grant didn't go through panel review again, it was forwarded to the Executive, but they met all of the criteria.

Council President Leventhal,
Okay, on Cultural Facilities Improvement Grants, accounting for -- starting with Adventure Theater, the County Executive recommended \$200,000 for Adventure Theater. The Committee agreed. For the Sandy Spring Museum, the County Executive - what did the County Executive recommend on that one? \$250,000; the Committee agreed. For the Metropolitan Center for the Visual Arts the County Executive recommended \$500,000, the Committee placed that \$500,000 on the Non-Recommended Reduction List. Pardon me. Let me state with respect to this item we heard, not in great detail, but the drop-off of funding from some sources for Strathmore led them to request an increase in funding from the County. The increase in funding for the "Viz" Arts Center led them to request an increase in funding. Just to be clear if you're in the Arts business and your donors stop giving you money you come to Montgomery County and ask for a lot more. If your donors give you a lot more money you come to Montgomery County and ask for a lot more. Just so the record is clear on these items. On the Metropolitan Center for the Visual Arts, Mr. Silverman?

Councilmember Silverman,
Thank you, Mr. President. I was in the minority in Committee so I'd like on to move that this go back into the budget. But I think the question that was raised, that we didn't get an answer specifically in Committee, was -- and I don't see paper on this -- or maybe it's some place.

Theresa Cameron,
It's on Circle 123(a).

Councilmember Silverman,
123(a).

Council President Leventhal,
They submitted a letter, too. I don't think that's in the packet. The "Viz" Arts Center had a letter.

Councilmember Silverman,
I wanted to understand how they went up to Tier One. So, who answers that? You or...

Theresa Cameron,
Sarah's here from OMB. We -- when we forwarded, as Melanie Coffin can tell you from her memo, or e-mail, when the panel -- and this was pure review, sent its



July 25, 2006

1 recommendations in tiers, which has been done previously, Metropolitan Center for the
2 Visual Arts was ranked low due to missing information questions. But once they clarified
3 that with the Department of Recreation, and Melanie was on the panel, so she changed
4 the ranking to move it to Tier One.

5
6 Council President Leventhal,
7 Because they raised a lot of private money?

8
9 Theresa Cameron,
10 Yes.

11
12 Council President Leventhal,
13 And so therefore they're entitled to a lot more County money?

14
15 Councilmember Silverman,
16 No, that was, I believe, the reason they were ranked in Tier Five, correct?

17
18 Theresa Cameron,
19 That was correct.

20
21 Councilmember Silverman,
22 You make these decisions based on a whole host of factors. It would have gone as a
23 Tier One recommendation from you to the County Executive.

24
25 Theresa Cameron,
26 We'd hope in the next round that it does come back to our review panel and have them
27 review it one last time before it would be moved. But we've reviewed all the materials
28 ourselves, as well now, and it does appear to be really on a great track.

29
30 Council President Leventhal,
31 Let me point out, Mr. Silverman made a motion, it hasn't been seconded yet...

32
33 Councilmember Floreen,
34 I'll second it.

35
36 Council President Leventhal,
37 Okay, I was just going to point out Mr. Silverman's motion is completely unnecessary. If
38 the Council wants to fund this \$500,000, it can do so. It's on the Reconciliation List as a
39 Non-Recommended reduction. The funds have not been vanished. So, what you would
40 do is it would no longer give the option to the Council to have this matter compete with
41 other matters. But it is still on the table. It hasn't disappeared.

42
43 Councilmember Silverman,



July 25, 2006

1 As the saying goes, I may have been born at night, I wasn't born last night. That is
2 absolutely correct. We'd do the same thing we just did with Strathmore, which is we
3 would take it out of play. And the discussion in Committee, I think focused in00 as a
4 Non-Recommended cut because it came up in the context of several other grant
5 requests that were not in Tier One. I believe that's what -- I know Mr. Perez's looking
6 quizzically, but I recall, Mr. Perez, like it was just yesterday. Raising...

7
8 Councilmember Perez,
9 We spend so much time together.

10
11 Councilmember Silverman,
12 I know! ...raising questions about how -- why fund something on Tier Five as opposed to
13 Tier One? I don't want to speak for anybody else on the Committee, but think it was the
14 key factor. Now we have information that indicates it's on Tier One and I'm just
15 suggesting we ought to do what the County Executive already did, which is take the
16 recommendation, it's a Tier One project, and fund it.

17
18 Council President Leventhal,
19 On the motion, Mr. Perez?

20
21 Councilmember Perez,
22 I'm assuming that the implication of this conversation is there is a Tier Four, a Tier
23 Three, and a Tier Two.

24
25 Theresa Cameron,
26 Correct.

27
28 Councilmember Perez,
29 And you can go from five to one if you raise a lot of money. So, money appears to be
30 the dispositive factor in how well you are ranked? I'm frankly a little befuddled by how
31 you are able to leapfrog from five to one.

32
33 Theresa Cameron,
34 Fran Abrams is here.

35
36 Fran Abrams,
37 This is the one that the light doesn't work. Oh, there is a chart... Minna, do you recall
38 what page the transition... Okay, Circle 18. If you'll look on the right-hand column and
39 see that this is the reasons -- there are several criteria. Essentially "Viz" Arts had an
40 application that clearly related to the benefits to the County citizens, which is one of the
41 criteria. It was clearly related to the organization's long-range plan, which is one of the
42 criteria. What was unclear from the application they submitted to us, because they didn't
43 have an audit at the time they submitted it, is whether they had the means to sustain
44 this program. The fact of the matter is that the panel looked at an audit that said they



July 25, 2006

1 haven't raised enough money to make this a reality. In fact, when they submitted
2 additional information to the County Executive, they were able to demonstrate that they
3 had, in fact, raised the money. It wasn't that "Jeez, you raised a lot of money." It was
4 that they didn't have the paperwork at the time of the application in October. When they
5 did submit the paperwork it clearly demonstrated that "A," they had the money to do the
6 remainder of the project. The panel didn't want to much give them money if there was
7 no one else onboard. This is finishing the possibility. This is completing the project. This
8 is not starting the project. So, they wanted -- they showed that they had raised the rest
9 of the money, they need this additional money to finish. They've already got a lot of
10 private funding in it. So, they essentially had met all the other criteria but hadn't
11 demonstrated at the time of this application, which is months ago...

12
13 Theresa Cameron,
14 October.

15
16 Fran Abrams,
17 ...months ago because of our process, that they were sustainable and that the whole
18 thing was going to happen in Fiscal Year '07. Now both of those points have been
19 proved and the County Executive moved it up to Tier One. So, essentially there was
20 missing information that's now been filled in.

21
22 Councilmember Perez,
23 Is the construction going to be completed in FY '07?

24
25 Fran Abrams,
26 Yes, it is. I've had conversations with the City of Rockville to that effect.

27
28 Council President Leventhal,
29 Is this a one-time request?

30
31 Fran Abrams,
32 As far as facilities...

33
34 Council President Leventhal,
35 For "Viz" Arts, for Cultural Facilities Improvement Grants?

36
37 Fran Abrams,
38 Considering that their facility is going to be finished -- I can't speak for them.

39
40 Councilmember Perez,
41 Well, that hasn't stopped others! Come on, Fran, you know better than that!

42
43 Council President Leventhal,



July 25, 2006

1 I'm sorry, it's just, you know, this is a \$3 million budget. We've got the \$2 billion schools
2 budget later this afternoon. So, I -- for a \$500,000...

3
4 Fran Abrams,
5 You're welcome to ask them directly, but if they're in an occupied -- by the end of Fiscal
6 '07.

7
8 Council President Leventhal,
9 She's nodding her head saying, yes, it's one-time. Is there objection to Mr. Silverman's
10 motion? If there's no objection, then "Viz" Arts has got its money back. Imagination
11 Stage has asked for a Cultural Facilities Improvement Grant of \$74,000. The Committee
12 agreed to place it on the Reconciliation List. Mr. Denis. It's already on the Reconciliation
13 List.

14
15 Councilmember Denis,
16 Okay, Ms. Praisner, I'd like to put this in the budget if we could.

17
18 Council President Leventhal,
19 Well, it's an addition to the County Executive's budget. It's not in the County Executive's
20 budget.

21
22 Councilmember Denis,
23 Can we put this in the budget? It's a different category. Okay.

24
25 Council President Leventhal,
26 Yeah, it's an addition to the County Executive's budget so it has to go in the
27 Reconciliation List and the Committee has already agreed to do that. On Olney Theater
28 Center, the Committee -- what did we do on Olney Theater Center?

29
30 Councilmember Perez,
31 2-1.

32
33 Council President Leventhal,
34 We did not vote for that, to place that on the Reconciliation List. Mr. Knapp has a
35 motion.

36
37 Councilmember Knapp,
38 Thank you, Mr. President. I appreciated the consideration of the Committee, and was
39 going to propose something a little different. Using the notion of a Challenge Grant
40 concept in which we would just match one to one, up to \$250,000.

41
42 Councilmember Praisner,
43 I'll second that.



July 25, 2006

1 Council President Leventhal,
2 Okay. Mr. Knapp has moved and Ms. Praisner has seconded a challenge grant of
3 \$250,000 to be matched by private sector contributions to pave the parking lot and
4 replace the roof. Is there objection to adding this challenge grant to the Reconciliation
5 List? If there is no objection, it will be added. National Capital Trolley Museum, \$50,000
6 was added to the Reconciliation List by the Committee. And then we are now on the
7 Community Grants NDA, which are specified in the County Executive's budget as a
8 Community Grants NDA, but we're transferring these items to the Arts and Humanities
9 NDA, Minna, am I right? Okay, good. So, for the Heritage Tourism -- I'm sorry, what's
10 the first item here, AFI Silver is recommended for \$525,430 in it the County Executive's
11 budget, the Committee concurred with the County Executive on that. For the Old Blair
12 Auditorium, the Committee voted to delete the \$310,000 from the budget, allowing that
13 organization to come back to us at some point in future, if they are prepared to come
14 back at some point in future with a business plan. For the Heritage Tourism Alliance the
15 County Executive recommended \$25,000, the Committee approved \$25,000. And the
16 Committee also placed \$48,000 on the Reconciliation List for Heritage Tourism Alliance.
17 Ms. Praisner?

18
19 Councilmember Praisner,
20 Since this is a match for the state, can we make that \$48,000, \$48,500 and make sure
21 we maximize every penny from the state?

22
23 Council President Leventhal,
24 Is there objection to modifying the amount on the Reconciliation List by \$500? I think we
25 need to spend about another 90 minutes discussing that \$500 item.

26
27 Councilmember Perez,
28 It's the inverse correlation argument.

29
30 Council President Leventhal,
31 Okay, then we can whip through the \$2 billion Schools budget.

32
33 Councilmember Perez,
34 No, it'll take five minutes...approved!

35
36 Council President Leventhal,
37 The Council received five direct requests for funding, one of which was withdrawn. Of
38 the remaining four the Council agreed to place Historic Takoma on the Reconciliation
39 List in the amount of \$260,000 in two increments of \$100,000 each. For the Levine
40 School of Music the recommendation was to place \$38,000 on the Reconciliation List.
41 For the Metropolitan Center for the Visual Arts there was nothing placed on the
42 Reconciliation List. And for the Historic Great Falls Tavern Canal Boat, \$35,000 was
43 placed on the Reconciliation List. And seeing no comments or questions, that concludes



July 25, 2006

1 the budget for the Arts and Humanities Council NDA. Thank you all very much for being
2 here.

3
4 Councilmember Praisner,
5 Thank you, Mr. Leventhal.

6
7 Council President Leventhal,
8 Next up, we have the Regional Services Centers.

9
10 Councilmember Praisner,
11 That's me. That's me.

12
13 Councilmember Perez,
14 Let the fireworks begin, Ms. Praisner.

15
16 Councilmember Praisner,
17 Ah, yes!

18
19 Councilmember Perez,
20 We'll be talking about Wheaton in a minute...

21
22 Councilmember Praisner,
23 While folks are leaving -- quietly, please -- I wanted to welcome the directors of the
24 Regional Services Centers to the table and ask them to introduce themselves starting
25 with Cathy Matthews.

26
27 Catherine Matthews,
28 Good afternoon, Cathy Matthews, from the Upcounty Regional Services Center.

29
30 Natalie Cantor,
31 I'm Natalie Cantor, Mid-County.

32
33 Gary Stith,
34 I'm Gary Stith with the Silver Spring Regional Center.

35
36 Anise Brown,
37 Anise Brown, East Montgomery.

38
39 Deborah Snead,
40 Deborah Snead, Bethesda/Chevy Chase Regional Services Center.

41
42 Councilmember Praisner,
43 Thank you all for being here. The Management and Fiscal Policy Committee had a
44 discussion of the Regional Services Centers and their responsibility. And, in essence,



July 25, 2006

1 the Committee is anxious both to support the folks and their small staffs in the works
2 that they do, in both providing direct services to the community and also in helping the
3 community to better understand government and to help residents work through the
4 complexities and intricacies of government and Montgomery County. One of the major
5 issues we've talked about over and over again is the emerging community initiative,
6 which is those areas of the County, not in Central Business Districts that need -- that do
7 not receive the level of assistance as a Central Business District, but are core centers
8 for community activity. Whether they be White Oak or Olney or Germantown, or any of
9 the other areas -- Potomac -- that appear -- Glenmont -- appear in the County. The
10 problem is that we have yet -- I think there was only one real year when we provided
11 some services at the Regional Service Center level, through either DPWT or contractual
12 services for some level of assistance in those communities for the types of things that
13 residents expect in a Town Center type concept. Whether they be markings to
14 distinguish or identify the area, trash cans for different activities, events that might be
15 going on in that area, and also we provided years ago under the initiative of then CAO
16 Bill Hussman some funds for neighborhood initiatives, where the Regional Services
17 Centers with their staffs and advisory boards created structures to help with maximizing
18 volunteer community building activities, whether they are helping with the festival or
19 helping with signs in a neighborhood or community, helping planting trees, putting in
20 benches in different places. They were basically one-time only type events that could
21 help with the efforts of, again, the attractiveness and the effectiveness of the community
22 feeling their part of a specific area of activity. In order to try to do that this year, we are
23 recommending both issues, emerging community and some of that neighborhood
24 initiative. We're recommending placing on the Reconciliation List, \$109,900. And that
25 would be split among the Centers once it is hopefully removed and funded. For the
26 Regional Services Centers that don't have any funding in their base budget for the
27 emerging community initiatives, and that would be Bethesda, East County, and to some
28 extent Silver Spring, there would be \$23,000. There's \$20,000 for Mid-County, because
29 there already is some money in the budget for trash pickup. So, that's -- we backed out
30 what is already in the budget. It would be \$20,900 additional. And 20,000 for the
31 Upcounty, minus the \$3,000 that is already there for flower beds. This would allow the
32 Upcounty to help support the Oktoberfest or whatever other activities they may want. It
33 would -- we did put some funding in for the Oktoberfest, but in essence are asking -- we
34 didn't calculate for the total amount for the Oktoberfest that was requested. We were, in
35 essence, urging the Chamber and others, which have come forward to ask for that
36 support, to raise additional money, much as the business center has done in other
37 centers. We really need to get a handle on this. The Regional Service Center Directors
38 put a lot of work in the past into looking at a source of funding as well as a level of
39 funding. And it just has been an issue that, unfortunately, the County Executive has not
40 been supportive of over time. So, we are going to have to tackle this and the Committee
41 is anxious to continue to work on that. We also recommended placing \$80,000 on the
42 Reconciliation List to support hardware, software, and training so the Regional Service
43 Centers can have some GIS capacity in their areas, which should allow them to both
44 track information that would be helpful for them, also can provide a way in which the



July 25, 2006

1 public can then generally have a better understanding of the services and the facility.
2 There are some additional items specifically in the Regional Services Center budgets
3 that I'd like to highlight that are changes from the current budget. There is some
4 additional funding for Limited English Proficiency Services to provide services to those
5 whose English language skills are limited. And it would be shared among the Centers
6 and it would help them to expand on the capacity to provide services. It's a nominal
7 amount of \$5,000. There was, as I indicated, \$3,000 for the Upcounty planting bed
8 maintenance that obviously is backed out. That would allow some areas in the median
9 at Middlebrook. In other words, the Germantown Town Center areas to have that imprint
10 of a Town Center. And there were the -- there was the trash collection for Olney. There
11 are also a number of changes that are the puts and takes associated with insurance
12 and copying and all the costs associated with that. They, again as I said, I think the
13 Council, I would hope, in its next iteration and the new County Executive would spend
14 some time on the whole issue of how -- what kind of level or support and what kind of
15 assistance we give, not just to the Regional Service Center from a standpoint of staffing
16 and expectations, but also from a standpoint of the maintenance and issues that are
17 outside the Central Business Districts, as we have areas of significant activity, the need
18 to build community identification and the need for infrastructure maintenance. In some
19 cases, you need to do the maintenance -- the maintenance, meaning sweep and fix
20 curbs or prune trees. In the other case, you need to create the maintenance. The
21 infrastructure for maintenance. Both of those things need to be looked at. Mr. Knapp?
22 Your mic is on?

23
24 Councilmember Knapp,
25 Thank you, Madame Chair. Mr. Denis noticed earlier, when we're dealing with
26 Permitting Services, that all five District Councilmembers were here...

27
28 Councilmember Denis,
29 Who is going to do that again?

30
31 [LAUGHTER]

32
33 Councilmember Knapp,
34 I -- I think the Committee's consideration for the issues as it relates to the Upcounty and
35 I think the concept that Ms. Praisner and the Committee put forward here is a good one.
36 One question -- you referenced the fact that this is not near enough resources. I would
37 just ask the Service Center Directors, not kind of the sky's the limit, but I know that,
38 Cathy, you put together calculations for looking at Germantown. To do the types of
39 things that are outlined here, what kind of resources do you think you would really need
40 to have to be able to implement the kind of streetscape or basic projects? And I'd be
41 curious to get a sense from all of you on if you have a sense of a ballpark estimate as
42 the kind of number you'd be looking for to have the kind of impact you'd like to with this
43 type of a fund?
44



July 25, 2006

1 Catherine Matthews,
2 We've looked at doing that in two different ways. One, concentrating on very small core
3 of the Germantown Town Center that has most of the activity and then a second version
4 would be a little larger area. We did have a formula that would cost several hundreds of
5 thousands of dollars. I don't want to say a number right off the top of my head, but I
6 think it was somewhere around \$700,000 that would take care of the core. Now keep in
7 mind that is everything from street sweeping, landscaping, litter pickup, as well as some
8 little bit set aside for events, perhaps. But it would be very similar to the Urban District in
9 Wheaton, perhaps.

10
11 Councilmember Knapp,
12 So, you're looking at potentially \$700,000 for one of the communities that you have in
13 the Upcounty Regional Services Center to do kind of basic maintenance and
14 infrastructure types of activities. Making sure that mowing takes place more than once
15 every -- what is it, five weeks now?

16
17 Catherine Matthews,
18 More than once in every ten weeks or something like that. And keep in mind that this is -
19 - like I said, more in line with the Wheaton Urban Center. So we're looking at more
20 frequent mowings and trimmings and prunings and things like that. And it's not just for
21 aesthetics, we're also looking at safety issues, too.

22
23 Councilmember Knapp,
24 So, you're looking at roughly 700 K just for one community to do those basic things, and
25 you've got...

26
27 Catherine Matthews,
28 I'd like -- I'd like to come back with a...

29
30 Councilmember Knapp,
31 I just want to get a ballpark, 'cause what we're looking at now, if you add it up, is how
32 much, Ms. Praisner? \$109 for all five Regional Services Centers and in just one of your
33 communities -- now, it's a large one -- but you're looking at \$700,000 just to kind of get
34 to the level of service you'd like to see. The rest of you have any -- Natalie?

35
36 Natalie Cantor,
37 I don't have figures with me today, but I have taken Olney as my test case and kind of
38 rated it against what we do in Downtown Wheaton. But in a lesser sense, because it is
39 not as intensely developed. I don't remember the number, it is a significant number.
40 That said, I have also looked at contractual kind of maintenance services, which are
41 less costly and can be done as a group. So, that's something I think that we could study
42 as we go forward.

43
44 Catherine Matthews,



July 25, 2006

1 Could I add something to that? That number I gave you reflects, basically, ongoing
2 maintenance. It doesn't account for one-time purchases of equipment or things like that.
3 That's looking at piggybacking on some existing contracts, as well.

4
5 Councilmember Knapp,
6 Gary? Anise?

7
8 Gary Stith,
9 We have three areas in the Silver Spring region that need this kind of services: Long
10 Branch, Montgomery Hills, and Four Corners. Montgomery Hills is covered by funds
11 from the PLD. We have funding for Long Branch coming through DHCA because of the
12 revitalization effort that they've headed up, but we don't have any funding for Four
13 Corners. But the problem is finding a continuing, ongoing source of funding to support
14 these kind of things.

15
16 Anise Brown,
17 For us, I would estimate, based on past experiences with the neighborhood initiatives
18 about \$150,000, but we would pull in community resources. I remember when we
19 received \$5,000 in grants and we stretched that a long, long ways. So, we would be
20 appreciative of any kind of additional funds to help out.

21
22 Deborah Snead,
23 We're looking at areas like the North Bethesda core and down to Friendship Heights
24 and Chevy Chase. You still have a wonderful section of Wisconsin Avenue that's
25 maintained by the Urban District and you have Rockville, but then all of a sudden you
26 have a gap and then you get down. Looking out at [West Far], even the Twinbrook area,
27 I mean, again, I think what Cathy was able to do was to do some intensive research, the
28 rest of us have not been able to do that. I think by having the "GSI" capability, we can
29 start getting more detailed information and then prepare what it really would cost.

30
31 Councilmember Praisner,
32 Natalie, did you want to comment?

33
34 Natalie Cantor,
35 Yeah, I just have one more comment and that is that a few years ago, when you passed
36 the representation on gateways and I came up and asked that we be able to maintain
37 the stretch of Georgia Avenue from the end of the Wheaton Urban District to the
38 Beltway. That costs us approximately \$39,000 a year just for Georgia Avenue.

39
40 Councilmember Praisner,
41 So I'm sure that in making the initial estimates, depending on how much initial analysis
42 you've done, they're probably very much on the low side and Cathy's numbers are
43 probably closer to when you get that population and grid and the amount of services
44 that you need. Mr. Knapp, this is an issue that I know your office has been very



July 25, 2006

1 concerned about, and mine, as well. And I'd think we've had conversations about
2 comparing it to the Urban Districts and the level of service for the Urban Districts, et
3 cetera, but I think the problem is we don't have a source of funding. And as long as it's
4 General Fund funds...

5
6 Councilmember Knapp,
7 It doesn't compete...

8
9 Councilmember Praisner,
10 It doesn't gets level service and doesn't compete as well. I think in the next year or two,
11 we -- I met with the Regional Service Directors to try to explore options, but I think we
12 need to -- whether you call it an Improvement District or whatever, we have to start
13 looking at the issue more aggressively, more proactively, and with more positive results.

14
15 Councilmember Knapp,
16 I agree and I hadn't necessarily thought of this, but I'd like to make a motion to increase
17 what we've put on the Reconciliation List by another \$100,000. Even with what we've
18 heard today, it's a drop in the bucket and doesn't get them much, but it's a little bit more.
19 So if we're going...

20
21 Councilmember Praisner,
22 Could we do it in two separate ones?

23
24 Councilmember Knapp,
25 Sure, do \$50,000 a piece?

26
27 Councilmember Praisner,
28 Two separate and an additional \$100,000...

29
30 Councilmember Knapp,
31 Do the 109 and then the... No, that's what I was going to propose.

32
33 Councilmember Praisner,
34 So without objection, that will be on the Reconciliation List. Mr. Knapp -- I mean Mr.
35 Perez...

36
37 Councilmember Perez,
38 We are frequently confused.

39
40 Councilmember Praisner,
41 No, no -- thank you, Mr. Knapp! Mr. Perez! I'm not used to that. If you is haven't gotten a
42 haircut I wouldn't have...

43
44 Councilmember Perez,



July 25, 2006

1 My brother, Miguel Knapp! I wanted to ask Natalie regarding 4th of July...

2
3 Councilmember Praisner,
4 Yeah, I was going to bring that up under Urban District.

5
6 Councilmember Perez,
7 ...as long as we're in the context of funding requests. My understanding is that we have
8 roughly a \$25,000 expense for the 4th of July. We have now a site, or we're making
9 progress on that, if I understand it correctly?

10
11 Natalie Cantor,
12 Well, the good news is we have pulled all the pieces together. We do have a site;
13 hopefully we have a pyrotechnics company, if we can see a contract soon.

14
15 Councilmember Perez,
16 Stick around, we will debate the education budget soon!

17
18 Natalie Cantor,
19 Right, get it for free. The bad news is it will cost quite a bit more than \$25,000. \$25,000
20 is what the fireworks itself -- the contract for the pyrotechnics cost. We did put -- we
21 have, in the Urban District budget for a number of years, we've a \$40,000 budget. When
22 we ran the figures for Olney, we came up to about \$54,000 because essentially this is a
23 first-time event. We're going to need a lot more for advertising, banners, staff time, et
24 cetera.

25
26 Councilmember Perez,
27 Safety.

28
29 Natalie Cantor,
30 Safety, yeah.

31
32 Councilmember Silverman,
33 Is the site a secret?

34
35 Councilmember Praisner,
36 No, it's the Olney Manor Park.

37
38 Councilmember Silverman,
39 Okay.

40
41 Councilmember Praisner,
42 After exhausting any number of possible locations, either the Fire Marshal or the owner
43 of the property rejected, we're...



July 25, 2006

1 Councilmember Perez,
2 There is a property off of Lockwood Drive there, near the Cresthaven...

3
4 [LAUGHTER]

5
6 Councilmember Silverman,
7 It's a vacant lot now.

8
9 [LAUGHTER]

10
11 Councilmember Praisner,
12 The only problem is pyrotechnics and property.

13
14 Councilmember Perez,
15 There may be a number of other vacant lots if it were held there. That's the problem.

16
17 Councilmember Praisner,
18 I was going to deal with it in the Urban District, but it is an Urban District Fund. And so
19 we have to put that on the Reconciliation List for that amount.

20
21 Councilmember Perez,
22 I was going to -- at the appropriate time. I can do it now
23 Councilmember Praisner,
24 Do it now without objection.

25
26 Councilmember Perez,
27 So I move -- what was the amount, Natalie?

28
29 Natalie Cantor,
30 \$54,000.

31
32 Councilmember Perez,
33 \$54,000.

34
35 Councilmember Praisner,
36 Without objection, it's on the Reconciliation List. Okay. I think that's all. If there is
37 nothing Sonja, or any of the Regional Service Center Directors would like to add, thank
38 you all very much. A pleasure doing business with you. Nancy, do you want to do the
39 Urban Districts...

40
41 [LAUGHTER]

42
43 Councilmember Praisner,
44 ...since it's a joint T&E/MFP?



July 25, 2006

Councilmember Floreen,
Sure, sure.

Councilmember Praisner,
Go ahead.

Councilmember Floreen,
We've already addressed the fireworks issue, but we've -- certainly recommend approval of the '07 Operating Budget. And we -- I don't know how much detail anyone wants to go into here...

Councilmember Praisner,
Very little, if you can! Let's catch up some time.

Councilmember Floreen,
Yeah, the issue of the fireworks -- you've pretty much taken care of, haven't you, Marilyn?

Councilmember Praisner,
Right.

Councilmember Floreen,
Basically -- let's see here. It's -- there is very little to report here. The -- we had some considerable discussions with respect to baseline services and the like, but there are really no significant changes. Primarily in '07 we're proposing to, within Bethesda the proposal is to expand the Ambassador program by \$25,000, expand summer outdoor movie series by a similar amount, and contractor fees for the Bethesda Urban District events and promotion. In Wheaton promotion -- I think this number is independent of the fireworks issue, isn't it, Natalie?

Natalie Cantor,
Yes, it is.

Councilmember Floreen,
Then the issue of managing the fireworks, I think we've pretty much put on hold for the time being, because we want to keep in that area, don't we?

Councilmember Praisner,
Yeah.

Councilmember Floreen,
There is money in the budget, similar dollars for sidewalk repair in Wheaton. We're back to the Urban District's generally. Some modest changes here and there within



July 25, 2006

Bethesda, There's additional dollars for streetscape maintenance, GIS streetscape mapping in Wheaton, and a couple pennies in there for the Grandview streetscape. Tree maintenance remains a significant issue and a commitment although dollars have not been increased significantly. There is a pretty constant level of attention to enhanced security. That's pretty much it. Some modest adjustments here and there, but by and large a straightforward budget presentation. So the total for the Operating Budget altogether is \$6,707,120. And Mr. Denis has a question.

Councilmember Denis,
No, I have a comment if you are finished.

Councilmember Floreen,
I think so.

Councilmember Denis,
Thank you. I want to thank all of the Urban Districts for the great work they do, and particularly the one I work most closely with, the Bethesda Urban Partnership, and all the people who work to make sure that's the success: the Chamber and Dave Dabney, and the fabulous staff. I just want to point to some the recent projects the partnership has done. The Arts Festival this past weekend was a great success. The Literary Festival a couple weeks ago, likewise a great success. This Friday is "Bike To Work" day, which is also...

Councilmember Floreen,
Will you be there in Spandex?

Councilmember Denis,
7:00 a.m. And there's something going on this week at Dinner at Glen Echo this week. I don't know if that's a -- oh, it's not, but we're all working on it together. But in any event there's a lot of great synergy there. It's an excellent concept that the County government came up with a number of years ago and it seems to be working in a fabulous manner.

Councilmember Floreen,
Well, let me just say between the Urban Districts and the Regional Service Centers, I think Montgomery County's efforts at trying to retain a sense of community, and a little sort of small town character, to the extent that you can in a county of nearly a million people. So that's our effort and we complement the staff for their hard work.

Catherine Matthews,
Thank you.

Council President Leventhal,
Okay, thank you, Madam Chair. So that concludes the Urban Districts.



July 25, 2006

1 Councilmember Praisner,
2 We're now getting into the afternoon agenda.

3
4 Council President Leventhal,
5 We are now in the afternoon segment at 3:00 p.m. Agenda Item 14 is the Board of
6 Appeals. Chairman Silverman.

7
8 Councilmember Silverman,
9 Thank you, Mr. President. Welcome to the Board of Appeals. Welcome, Chairperson
10 Fultz. The Committee supports the requested reallocation of funds between the Office
11 of People's Counsel and Board of Appeals to convert the part-time Executive
12 Administrative Aide position in the People's Counsel to full-time. The Board of Appeals
13 personnel costs would be increased by \$8,400. That's the only change. The Committee
14 recommended FY '07 for the Board of Appeals after adjustment is \$564,840. The
15 increase in '07 is attributable almost entirely to increase in salary and benefits for
16 existing employees. No new staff increases are requested.

17
18 Council President Leventhal,
19 Mr. Perez had his light on, but...

20
21 Councilmember Praisner,
22 He's not here.

23
24 Council President Leventhal,
25 Let's turn it off for him. Chairwoman Fultz was also going to -- if we're done with the
26 Board of Appeals?

27
28 Councilmember Silverman,
29 We are.

30
31 Council President Leventhal,
32 Chairwoman Fultz was also going to represent the People's Counsel who has another
33 commitment this afternoon.

34
35 Councilmember Silverman,
36 Okay, so let's do that. So then without objection...

37
38 Council President Leventhal,
39 Without objection the Board of Appeals budget is agreed to.

40
41 Councilmember Silverman,
42 We are jumping ahead to Item 16, which is the Office of the People's Counsel. The
43 Committee supported the requested reallocation of funds that I just talked about. And so
44 the Committee's recommended FY '07 budget for the Office of People's Counsel after



July 25, 2006

1 adjustments is, \$225,170. No program enhancements for FY '07. The data is on page
2 two in terms of participation by the Office of the People's Counsel in a variety of different
3 matters and that's the Committee's recommendation.

4
5 Council President Leventhal,
6 There are no questions and no lights. Well done, Allison!

7
8 Allison Fultz,
9 Well, thank you very much.

10
11 Council President Leventhal,
12 We will let Marty know that you did him proud.

13
14 Allison Fultz,
15 He'll be pleased.

16
17 Council President Leventhal,
18 We now, turn to the Office of the Hearing Examiner.

19
20 Councilmember Silverman,
21 Yes. Ms. Carrier's here. The PHED Committee reviewed this. The employee costs for
22 the Director is listed on page one as recommended by the Committee. The FY '07
23 budget after adjustment is \$453,560. The only adjustment is reflected in the Office of
24 Director at .8 work years, not as a full-time position. We had a discussion about the
25 process, having to do with the Planning Board staff review process, And we're looking
26 forward to having a discussion with the Planning Board folks about the time line there
27 because it seems like the scheduling lag time at [OZA] is tied into when the Planning
28 Board staff can produce their reports. Is Farrol here? No.

29
30 Unidentified Speaker,
31 [INAUDIBLE] ...to fill in for her.

32
33 Councilmember Silverman,
34 Oh, Gwen's here. Identify yourself for our watching audience.

35
36 Gwen Wright,
37 I'm Gwen Wright, Acting Chief of Countywide Planning and I'm sitting in for Farrol
38 Hamer. Farrol asked me to pass on that we do understand there is a concern with the
39 4.5 month time frame rather than 3-4 months. First, one of the reasons is we're giving
40 more notice and staff reports have to be out two weeks instead of one week ahead of
41 time. It adds a week to the process, not making up for all the reasons but that's one of
42 them. Also, we're in the process of filling staff positions. We are still short-staffed,
43 although we have approval for half a work year and our working to fill that at this time.
44 And I think the other issue that we had talked about a bit was when we're able to have



July 25, 2006

1 our reorganized tech team up and running, we may be able to take over the application
2 intake. And we need to talk to the Hearing Examiner and the Board of Appeals more
3 about that before it's decided, but that may help us sort that the application is complete
4 and assigned appropriately and may speed up the process.

5
6 Francoise Carrier,

7 The way it was described to me is having technical staff, I guess this new tech team at
8 Parks and Planning, do sort of a pre-review of applications before people actually come
9 to file at the Board of Appeals for special exceptions or at my office for zoning cases so
10 that someone with actual technical knowledge can see whether they have complied with
11 all the filing requirements or have plans that are grossly deficient. They would be turned
12 away and told to come back with better ones.

13
14 Council President Leventhal,
15 Okay, Ms. Floreen.

16
17 Councilmember Floreen,

18 That sounds like a great improvement to getting some clarity on there. I'd ask that you
19 give some thought as to the timing, it's one thing for scheduling alterations in the
20 situations where the Board's the final decision-maker, but when the Board's advisory, I'd
21 ask you to give that some thought or at least work into the schedule how the process
22 can be facilitated for all of us. It may be that you put your finger on the issue, which is
23 the completeness of the application. That may well take care of that. I mean that sounds
24 like a big improvement.

25
26 Gwen Wright,

27 From my own experience I have seen cases that have come in and then when they are
28 reviewed by Planning staff they end up being delayed because more information is
29 requested and it does tend to push things off. So hopefully getting it right the first time
30 when it's actually accepted as a complete application will hopefully make the review
31 process a little easier.

32
33 Councilmember Floreen,

34 As with Zoning cases, Board of Appeals matters as well, there should be a checklist of
35 exactly what it is that need to be -- and the details that need to be put together. I thought
36 the Board of Appeals had worked with the Planning Board at some point on what they
37 needed. If that needs to be expanded given the changes in process, I would urge you to
38 create a list so that everybody, including the public, as well as -- the neighbor as well as
39 the applicant is very clear on the contours of the requirement. And I think that will help
40 everybody. Thanks very much.

41
42 Council President Leventhal,
43 Okay. I'm sorry. Mr. Denis.



July 25, 2006

Councilmember Denis,

Thank you, Mr. President, just on Lot 31. I have a pretty good idea when things are supposed to happen but I'd appreciate if someone could notify me or my office whenever documents are filed in terms of the ex parte rule.

Francoise Carrier,

I will be happy to if you'll tell me what Lot 31 refers to.

Councilmember Denis,

Oh, Lot 31 in Bethesda, across from Barnes and Noble, it is at the Planning Board now.

Ralph Wilson,

I think it's 31(A) and 31(B).

Councilmember Denis,

31(A) and 31(B). And 31(A) is right across the street, right next to the Landmark Theater.

Francoise Carrier,

Okay.

Councilmember Denis,

Thanks.

Council President Leventhal,

Anything else on the Office of the Hearing Examiner? There are no lights. Without objection the Office of the Hearing Examiner is approved. Thank you very much, Ms. Carrier.

Francoise Carrier,

Thank you.

Council President Leventhal,

Our next Agenda Item is the Historic Preservation Commission NDA. Mr. Chairman.

Councilmember Silverman,

Thank you, Mr. President. We had an extensive discussion about the lack of staff at the Historic Preservation Section of Park and Planning. And because this small staff section often finds itself behind in doing the research associated with master plans the Committee recommended adding \$19,370 to the Reconciliation List to increase a Historic Preservation Planner position from 30 hours per week to 40 hours per week, and that's the recommendation.

[CRASHING]



July 25, 2006

1
2 Councilmember Silverman,
3 What is going on out there?
4
5 Multiple Speakers,
6 [MURMURING]
7
8 Unidentified Speaker,
9 ...fell down that stair right there.
10
11 Councilmember Praisner,
12 It's that stair again. That's the second time
13 Councilmember Floreen,
14 That's the second time today.
15
16 Councilmember Praisner,
17 That's the second time today someone's fallen. That was hard.
18
19 Multiple Speakers,
20 [MURMURING]
21
22 Councilmember Silverman,
23 Is there a what?
24
25 Councilmember Praisner,
26 [INAUDIBLE]
27
28 Multiple Speakers,
29 Let's get security.
30
31 Councilmember Praisner,
32 Yes. Oh, wait it's Buzz.
33
34 Councilmember Silverman,
35 Oh, jeez, Buzz. For Buzz they'll come with guns blazing!
36
37 Council President Leventhal,
38 Twice in one day.
39
40 Councilmember Silverman,
41 What are the chances?
42
43 Councilmember Praisner,
44 They need to put a strip -- it's the new carpeting.



July 25, 2006

1
2 Council President Leventhal,
3 All right, let's proceed, Mr. Silverman.

4
5 Councilmember Silverman,
6 All right Without objection?

7
8 Council President Leventhal,
9 Without objection the Historic Preservation Commission NDA is agreed to. Item 18 is
10 the Economic Development Fund. We are now discussing the Economic Development
11 Fund. I know Councilmembers have an interest in that matter. Chairman Silverman.

12
13 Councilmember Silverman,
14 Thank you. Welcome Mr. Edgerly. Economic Development Fund, the Committee
15 recommended approval of \$3,397,380. The breakdown is contained on page two. This
16 includes \$100,000 in the Grant and Loan Program to provide grants to small businesses
17 impacted by the County's revitalization projects. The fundamental issue the Committee
18 discussed was the Nederlander project. There were materials that have been
19 subsequently provided to us. I don't know if Ms. Praisner has a position at this point or
20 not.

21
22 Councilmember Praisner,
23 I do not support it.

24
25 Councilmember Silverman,
26 Okay, it's a majority Committee recommendation 2-1. This is not an Arts Project fund,
27 this is an Economic Development Fund that happens to be an Arts facility. The
28 information that we received from Park and Planning seems to -- and I don't know if we
29 have anybody here... Gwen, here you are! Okay, come back to the table. The material
30 we received, which was in the form of a memo from I guess you and John Carter,
31 seems to suggest the applicant has substantially met the requirements of the regulatory
32 approvals, but must implement a Performing Arts function to be fully in compliance.
33 Which I'm reading to mean that they need to put something in there, the something that
34 did the Executive Branch has come up with is the Nederlander project. Is that a fair
35 statement? This is not an -- this \$1.5 million is not an obligation of the developer?

36
37 Gwen Wright,
38 Yes, I think that what we actually see it as is the \$1.5 million allows for really an
39 enhancement of the original condition. When the project originally came in, and this is
40 on Circle 32, we had looked at it as preservation of the exterior and interior of the
41 theater, but also having the theater not turned into a drugstore or a bookstore, but
42 actually having a Performing Arts function. I guess perhaps we were thinking small but
43 we were thinking keep the Cinema and Draft House, or put in a small local Performing
44 Arts company. And I think what has happened as the project has evolved and as other



July 25, 2006

1 kinds of arts functions have gone in in Bethesda is that the proposed Performing Arts
2 function has become bigger, frankly, than I think any of us had contemplated at the
3 outset. I mean I don't think any of us contemplated Broadway shows in Bethesda. and
4 so simply putting some Performing Arts function in there...

5
6 Councilmember Silverman,
7 Hopefully, if they star Mr. Denis.

8
9 Councilmember Denis,
10 No, I absolutely -- I absolutely did. I mean, I absolutely did!

11
12 Gwen Wright,
13 You contemplated a Broadway...

14
15 Councilmember Denis,
16 I mean that no one contemplated -- there was no contemplation. Exactly. Bringing
17 Broadway to Bethesda? Win, win, win!

18
19 Councilmember Silverman,
20 Think bigger, Gwen.

21
22 Gwen Wright,
23 Well, I think when we were first doing this back in '97 we were thinking maybe Round
24 House, but Round House found another location. I think as this became a possibility we
25 all became very excited about it. I guess I would say we expect a Performing Arts
26 function. What the applicant is proposing is an enhanced Performing Arts function that,
27 again, we feel is above and beyond maybe what we were thinking in 1997. They could -
28 - in answer to your question specifically -- they could put a little theater group in there
29 and meet the condition of approval. But that's not what they're proposing to do, they're
30 proposing to do something much bigger.

31
32 Council President Leventhal,
33 May I, Mr. Chairman?

34
35 Councilmember Silverman,
36 Yes.

37
38 Council President Leventhal,
39 I have a couple questions about Nederlander. In concept I'm for it and I've indicated that
40 I approve it when the EDF request came over. And I see that there are some questions
41 answered but I would just like to understand, In recent months we've had several
42 occasions to regret sort of open-ended commitments that were made and then later on
43 we found we didn't have enough conditions on our generosity. I'm thinking about
44 unrelated items here. I'm thinking about Grafton School. I'm thinking about JBG and



July 25, 2006

1 Mayorga. So what I'd like to understand is what commitment are we getting from this
2 entertainment company to remain in the space, to provide decent working conditions for
3 the workers, what are we asking from them? Not what are we asking of the developer, I
4 think I'm clear on that. But now we're providing \$1.5 million to induce this New York
5 company to put on performances in Bethesda, which sounds desirable to me, but what
6 are we getting from them? How do we know -- how long will they stay, are they going to
7 -- what if somebody tries to form a union, how will they respond to that? These kinds of
8 questions.

9
10 David Edgerly,
11 I don't know if we can answer all of the unforeseen questions, but I can tell you...

12
13 Council President Leventhal,
14 Well, what are the conditions we have on this grant?

15
16 David Edgerly,
17 Well...

18
19 Councilmember Silverman,
20 They have a union: Actors' Equity.

21
22 David Edgerly,
23 ...first of all we're delighted that Nederlander has been identified and they have selected
24 us, it's great. Communities know they made it when they have a Class "A" office
25 building or a certain car dealership, or certain kinds of coffeehouse or certain kind of this
26 or that.

27
28 Council President Leventhal,
29 Was Bethesda concerned that maybe Bethesda had not made it before? Just reacting
30 to what you said.

31
32 David Edgerly,
33 Well, when you are endorsed by a Broadway playhouse, let alone the largest operator
34 of theaters, I think that says something; the strength of your market, the strength of your
35 community, and we're not talking about just Bethesda, we're talking about the whole
36 county, if not the whole region. They are making a commitment that represents the
37 longest possible commitment they can make. They actually -- and Tom Baum is here
38 from the group. They wanted a longer commitment, but under IRS regulations, with the
39 nonprofit status of the theater, they can only sign a five-year, Non-capital Operating
40 Agreement and so that's what they...

41
42 Council President Leventhal,
43 Say that again, you were talking real fast. Five-year commitment?



July 25, 2006

1 David Edgerly,
2 They've signed a five-year commitment to operate a theater in the location. They're are
3 also taking the risk that the market validation they did is there and reasonable and that
4 they will be able to turn it into a profitable enterprise. They're taking the risk of all the
5 start-up, the operating, the marketing, et cetera, dollars. So that's strong in our minds.

6
7 Council President Leventhal,
8 Is Mr. Baum here? Does he want to come forward?

9
10 Thomas Baum,
11 Sure, I'd be happy to.

12
13 Council President Leventhal,
14 Hi. Again, I'm favorably inclined toward this. I am running through in my mind other
15 recent examples where in return for a major commitment from Montgomery County we
16 ended up having some disappointments downstream. And we had to then explain to our
17 constituents. "Jeez why didn't we require this as a condition of our generosity?" Again,
18 I'm thinking of unrelated examples and I mentioned two that come very quickly to mind.

19
20 Thomas Baum,
21 Sure. First of all, for the record, my name is Tom Baum and I'm with the Bozzuto Group,
22 I'm not with the Nederlander organization. So I just wanted to clarify that. And David's
23 right, the commitment though, however, was not one driven by the Nederlander
24 organization. In fact, their initial request was 20 years. What we had to do through the
25 Nederlanders, because we're nonprofit, the group that will ultimately own the theater is
26 a nonprofit, the IRS restricted the term of the agreement to five years with the five-year
27 automatic renewal. In effect it's a 10-year agreement. We couldn't do anything more
28 under IRS regulations. That was the sole reason of the quote, "limited commitment."
29 Nederlander actually wanted to do more because, as you can imagine, a theater's
30 success really builds on its own. It takes a couple years for the name to get out, for the
31 shows to build, for the subscription base to grow. So their commitment has always been
32 wanting to be one of "Lock us in for longer, don't lock us in for shorter." But it was driven
33 by the IRS regulations.

34
35 Council President Leventhal,
36 Okay.

37
38 David Edgerly,
39 George, if I may add to what Tom said in terms of insulation and protections of the
40 County, we've also, as this transaction has matured, built in some additional things that
41 you should be mindful of. First: if there is financial difficulty or challenge in operation,
42 there are some protections. First: there is an operating deficit guarantee by Bozzuto,
43 that's listed on Circle 7. Then there is a debt repayment guarantee, because the due



July 25, 2006

1 diligence was also done by BB&T, who has issued a loan commitment for this. And
2 then, finally, there is a...

3
4 Council President Leventhal,
5 But that's debt to BB&T. We're not getting repaid, this is an outright grant, right?

6
7 David Edgerly,
8 That's correct. That's correct. But in terms of the feasibility of the project, in terms of
9 what would come back to us as a next request or as a first door to knock on. There are
10 other entities that have already lined up to insure or try to make a representation that
11 this will be successful. And then finally, there is a State of Maryland guarantee from
12 MIDFA. We have done as good a job as we possibly could to put vehicles in place that
13 will ensure the financial viability of the operation.

14
15 Council President Leventhal,
16 It's our understanding this \$1.5 million -- or \$1.8 million is it. We won't give more next
17 year.

18
19 Thomas Baum,
20 That's correct.

21
22 Council President Leventhal,
23 And would this nonprofit entity that's running of the Bethesda Theater, be eligible for
24 grants from the Arts and Humanities Council?

25
26 Councilmember Praisner,
27 Uh-huh.

28
29 Thomas Baum,
30 I presume they would be.

31
32 Council President Leventhal,
33 Is it expected that they will apply for grants from the Arts and Humanities...

34
35 Thomas Baum,
36 No, it's not. This is a one-time capital request. We have our pro formas that may or may
37 not be part of your packet shows a positive cash flows from the operations. That's why
38 we went this way. I'd like to piggy-back on what David said. Yes, the County is making a
39 commitment here. So is the developer. You're looking for those guarantees. Well, I think
40 you can look to is the developer's putting up a \$2 million debt repayment guarantee on
41 the BB&T loan that puts us in the front seat if there are any problems here. This is the
42 true private/public partnership where we're just as much on the line for the theater's
43 success as the County is... in fact more so I would say.



July 25, 2006

1 Council President Leventhal,
2 I appreciate that, but let me repeat my question. I don't know if you were present for the
3 conversation a couple hours ago but the Arts and Humanities Council is trying to
4 establish a mechanism whereby every eligible entity in the county will have a
5 guaranteed percentage of its operating costs provided by the Arts and Humanities
6 Council. Every nonprofit theater entity that's deemed eligible someday -- we may never
7 get there, but this is their goal -- will have a percentage of its operating costs as a
8 permanent formula allocation from the Arts and Humanities Council. Is the Bethesda
9 Theater expected to be feeding out of that tray?

10
11 Thomas Baum,
12 That was never our anticipation. We've never contemplated that.

13
14 Council President Leventhal,
15 Can get on the record that the Bethesda Theater will not apply for those funds?

16
17 Thomas Baum,
18 Sure. Yes. Yes.

19
20 Council President Leventhal,
21 And can we just repeat for the record that this is a one-time grant from the County with
22 no further expectation of funding for the Bethesda Theater?

23
24 Thomas Baum,
25 Yes.

26
27 Council President Leventhal,
28 Now, I'm just asking questions that my constituents are gonna ask of me. Chairman
29 Silverman said that Actors' Equity -- the people in the performances will be represented
30 by Actors' Equity. What about the stagehands, what about the ushers? What if we get in
31 a situation where my constituents say, "We're trying to organize and Nederlander is
32 trying to stop us, and you gave them a grant and what are you going to do?" Is there
33 any expectations as far as working conditions or workers' rights?

34
35 Thomas Baum,
36 Well, the Nederlander, as Mr. Edgerly has stated, is clearly one of the big boys in this
37 industry. They deal with unionization, they deal with the professional theater. They have
38 a hand in production, in running theaters, running all types of commercial venues. They
39 are on the forefront of the Fair Labor, so they will do whatever is necessary, I'm sure.
40 It's part of their operation to run. That's why we have done with such a prestigious and
41 worldwide organization as the Nederlanders.

42
43 Council President Leventhal,



July 25, 2006

1 I was asked this recently so I'm asking the question now. David, would you object to
2 including as a condition of the grant a very simple statement of neutrality in the event of
3 an attempt to organize the workers?
4

5 David Edgerly,
6 Of County neutrality?
7

8 Council President Leventhal,
9 No, that the Nederlander -- in return for this grant that the Nederlander Company would
10 agree to neutrality if the workers tried to organize?
11

12 David Edgerly,
13 That's a very -- first of all, I think with Actors' Equity, I believe the industry itself may
14 already be there -- I am not familiar with this issue, George. But it would be
15 unprecedented for us to do that. Maybe I could ask the purpose. It's a private
16 occurrence.
17

18 Council President Leventhal,
19 Right, for which we're providing \$1.5 million of public money, almost \$2 million.
20

21 Councilmember Silverman,
22 If I may, Mr. President, are you suggesting we should do that with all of our Arts
23 organizations in the county?
24

25 Council President Leventhal,
26 Well, actually the suggestion was made to me the other night that it should be done for
27 all Economic Development Grants. I'm just asking what would be the County's position
28 on the suggestion?
29

30 David Edgerly,
31 I haven't had a chance to study it.
32

33 [SILENCE]
34

35 Councilmember Silverman,
36 Well, Mr. Edgerly can speak for himself. We, as a body, have certainly never taken up
37 the issue. If we want to -- do we want to -- we have a -- How big is the Economic
38 Development Fund, the entire fund?
39

40 David Edgerly,
41 Over the history of the fund?
42

43 Council President Leventhal,
44



July 25, 2006

1 I don't think that question is appropriate. I mean he comes to us when he needs money
2 and we give it to him.

3
4 Councilmember Silverman,
5 Well, there's a place holder, though.

6
7 Unidentified Speaker,
8 [INAUDIBLE]

9
10 Councilmember Silverman,
11 What, Peter?

12
13 Peter Bang,
14 Are you referring to the current fund balance or the cumulative fund?

15
16 David Edgerly,
17 Annually, how much do we do?

18
19 Councilmember Silverman,
20 Annually, what do we do?

21
22 Peter Bang,
23 Annually, on a given year it fluctuates. Last year it was about \$860,000. This year
24 because of the Nederlander and other projects we got 3.37. The previous years we got
25 660. So it fluctuates in a given year.

26
27 Council President Leventhal,
28 Okay, I'm not offering anything at this time, I'm just curious as to what would be your
29 reaction to this. I'm just anticipating -- you know we've had these recent examples
30 where we have offered things of great value to private entities, either nonprofit or for-
31 profit, and found later, "Jeez, I wish we had put some more conditions on it," because in
32 the case of Mayorga -- which we're going to talk about again in a minute -- I wish we
33 had asked more of JBG in writing before we agreed to give them the street. And in the
34 case of the Grafton School, I wish we had asked for a longer commitment from them
35 before making available a million dollars that they've now walked out on. So I like this
36 idea. I think it will be great for Bethesda, I think it's going to be great for the County. I am
37 anticipating, here we go again, where a couple years from now, my constituents will
38 say, "How could you give them a million and a half without anticipating that this would
39 occur?" whatever it is. That they might walk out on you, leaving the building empty, or
40 the workers might try to organize and they might bust the union. These at things that
41 have been raised with me.

42
43 David Edgerly,



July 25, 2006

1 I guess my initial reaction is the more conditions we lay on an organization we're trying
2 to attract to the community. Attract with dollars? Yes. And do we need to do that
3 responsibly? Yes. Is that the kind of condition they might agree to or walk from? I don't
4 know. I'd prefer not to take the risk. I'd prefer to recognize that they are a world-class,
5 "do-the-right-thing" organization, business, that's coming into our community to provide
6 the amenity that we're looking for. But again, it's a serious question, I'm taking it that
7 way. We have just never gotten to that point. If we're trying to induce something to
8 happen, quite frankly every organization we deal with is not organized. I respect
9 enormously people -- if people want to pay somebody to talk for them, they should have
10 that right. That's basically what a union does in any bargaining unit arrangement. But to
11 a layer it as a condition, especially when we're trying to attract might be problematic.

12
13 Council President Leventhal,
14 Okay, there are other questions here. Mr. Andrews.

15
16 Councilmember Andrews,
17 It's not a question. I just want to indicate that I agree with the Committee minority's
18 position on this and want to be recorded that way.

19
20 Council President Leventhal,
21 Mr. Denis.

22
23 Councilmember Denis,
24 Thank you, Mr. President. I just want to commend County Executive Duncan for thinking
25 big, if I may use that phrase. The location we're talking about used to be the Boro
26 Theater -- B-O-R-O -- a movie theater that opened in the 1930s. And when the movie
27 business changed the theater went dark. And fortunately the Art Deco marquee was
28 preserved. Then it reopened as the Bethesda and Draft House, a wonderful facility that I
29 and many others greatly enjoyed. And then when that closed, and this was very difficult,
30 the Art Deco facade was retained as well as the interior to make it agreeable for an Arts
31 and Entertainment destination. Then Bethesda and Silver Spring were designated as
32 Arts and Entertainment areas, which have implications for the state and the county. It's
33 a process we went through and that the state went through. And, yes, I felt that with all
34 the restaurants there was a missing piece in Bethesda... and that was basically music,
35 and I might say Arts and Entertainment. Nederlander -- and by the way I attended a --
36 what I thought was a -- almost a -- if not a groundbreaking then a ribbon cutting about
37 the Nederlander project at this theater roughly three years ago. And here we are, it's
38 hardly a surprise. But Nederlander, if I'm not mistaken, they put on "Hair Spray," that's
39 one of their shows, and they've done others. But as a practical matter, as I understand
40 it, we're really talking more about probably Off-Broadway, rather than Broadway. Off-
41 Broadway is a poorly defined term the last 10 or 20 years. The Beacon Theater in the
42 West 70s is considered Off-Broadway, but it's on Broadway. But I guess whatever is not
43 in the Theater District is considered Off-Broadway. We have tremendous Arts and
44 Entertainment destinations in the Bethesda area and other parts of the county and this



July 25, 2006

1 would certainly be one of them. It has been very difficult to find a suitable tenant or
2 owner for this particular location. I think this is a tremendous opportunity for the County
3 to enhance Bethesda's destination as an Arts and Entertainment area for the State of
4 Maryland and the Washington Region.

5
6 Council President Leventhal,
7 Okay, no further comments on the Nederlander matter. In the Economic Development
8 Fund, I had been told but their lights were not on but I guess Mr. Perez had another
9 matter that he wanted to bring up.

10
11 Councilmember Perez,
12 Well, whenever it's right to talk about my...

13
14 Council President Leventhal,
15 Mr. Chairman, to talk about businesses affected by revitalization?

16
17 Councilmember Silverman,
18 Sure.

19
20 Council President Leventhal,
21 Mr. Perez...

22
23 Councilmember Perez,
24 Is this okay?

25
26 Council President Leventhal,
27 ...you have the floor.

28
29 Councilmember Perez,
30 [MICROPHONE NOT ON] Okay, thank you. Two years ago, I believe, Councilmember
31 Denis and I introduced a proposal to provide assistance to businesses that were able to
32 demonstrate that they had been adversely impacted by County-initiated activities. And
33 the examples we cited frequently were restaurants in Bethesda and Silver Spring that
34 had been adversely impacted by the tear down of garages and the rerouting of traffic
35 and things of that nature. It's hard for people to buy carpet at your place if they can't get
36 to your place. [BACKGROUND NOISES] That's a simple concept, and we were
37 attempting to provide...

38
39 Council President Leventhal,
40 We can do these all tomorrow.

41
42 Councilmember Perez,



July 25, 2006

1 ...some help to small businesses during this phase of revitalization. We added it in the
2 budget two years ago. It wasn't in the County Executive's budget last year; we added it
3 again. I believe it's not in the County -- yes, we've been to this movie, Mr. Knapp...

4
5 Councilmember Silverman,
6 It is in the County Executive's budget.

7
8 Councilmember Perez,
9 I'm just trying to see where it is.

10
11 Councilmember Silverman,
12 On page two, in the bold. It says, "Under the Grant and Loan Program, \$100,000 in
13 funding is also included to provide grants to small businesses impacted by the
14 County's"...

15
16 Councilmember Perez,
17 Where -- [INAUDIBLE]...

18
19 Councilmember Silverman,
20 Page two of the packet.

21
22 Councilmember Perez,
23 Was it a...

24
25 Councilmember Silverman,
26 It's not a...

27
28 Councilmember Perez,
29 Well, let me ask -- let me back up then. What percentage of the money that has been
30 given out through this program has been in loans?

31
32 David Edgerly,
33 I think it's an easy answer: none.

34
35 Councilmember Perez,
36 Okay, that's what confused me. I never anticipated that this was going to be a loan
37 program for a business that had been... [MICROPHONE TURNED ON] Thank you, I
38 just started three and a half years ago, so I'm still learning the ropes.

39
40 [LAUGHTER]

41
42 Council President Leventhal,



July 25, 2006

1 Could I just -- Mr. Baum is sitting there like he's ready for another question. If there are
2 no more questions regarding Nederlander or Bozzuto or the Bethesda Theater I think
3 we can let him go. Yes, I have no more questions for...

4
5 Thomas Baum,
6 Thank you.

7
8 Councilmember Perez,
9 Thank you for your good work. I was hoping that was the answer you were going to
10 give. Did you go through the money this year?

11
12 Peter Bang,
13 Yes, we have received \$100,000, and we expended the entire \$100,000 -- or committed
14 during the first year.

15
16 Councilmember Perez,
17 How long does it take to commit that \$100,000?

18
19 Peter Bang,
20 It took us -- actually only about six months, but in terms of documentation and
21 responding to our disbursement conditions, it took more time. And there are a number
22 of cases in which they kind of delayed purposely in visiting of the money. But the first
23 year we have expended the entire \$100,000 in a little over 13 months period. The
24 second year out of the second round of \$100,000, we have committed about \$55,000,
25 and we have dispersed about \$40,000 to this date.

26
27 Councilmember Perez,
28 And there's \$40,000 remaining?

29
30 Peter Bang,
31 Yes, and we're working with the Burtonsville area tenants at his point, some of the
32 businesses in the Burtonsville area. But one of the difficulty -- in terms of setting up this
33 program is because the business has to -- not anticipate the impact -- but they have to
34 demonstrate the impact that has been made by the County's redevelopment project. So
35 we're trying to soften the language a little bit that if it's ongoing or if they can anticipate
36 certain things we might be able to expend the funds for preventive action, which could
37 be more beneficial.

38
39 Councilmember Perez,
40 Well, I certainly would not object to that, we want a liberal construction of this -- no pun
41 intended -- to assist as many businesses as possible. Although I would note at least I
42 am aware of one business that could use all the \$100,000, and could make the
43 demonstration that it would be the easiest thing to do to demonstrate that March 1st,
44 2006, rolled around and a project began, And they have -- I have forgot the precise



July 25, 2006

1 figures, I looked at their financials, and it has been a five-figure hit per month that they
2 have been absorbing that's directly traceable to the construction project. I've been
3 attempting to anticipate the needs in the year ahead. And I frankly think that if economic
4 development is a partnership between the public and the private the economic impacts
5 should be a partnership between the public and the private. And that's great that there's
6 a nice valet paid for by the JBG Company, but I frankly think they need to go a little bit
7 further. And this morning, Dave, we heard from Robert Hubbard who indicated he would
8 be working with us to identify additional leverage points including potentially going back
9 for additional conversation before the Planning Board regarding amendments to the site
10 plan. Because I think -- and I said it this morning -- I think I screwed up in raising my
11 hand to vote for the closure of Blair Mill Road. I think that's a vote I will live to regret. We
12 need to use this fund -- and I appreciate the bold lettering here and I stand corrected
13 and apologize for that. But we're going to have one or two businesses that might
14 consume the whole fund this year as a result of this. And part of the purpose of this fund
15 was to hopefully start a dialogue amongst ourselves to hopefully prevent these
16 situations. And that's a question I get asked in Wheaton, "What if our Text Amendment
17 passes and all this new development occurs in downtown Wheaton?" "How can I be
18 assured that I'll be able to survive for the three to four years during the dusty period?"
19 The answer I have been giving 'em, and it's my story and I'm stickin' to it, is "Oh, don't
20 worry, we learned from our mistakes." And then they read about Mayorga's and the Ice
21 Cream Shop. And my credibility is called into question in that answer. And so I really
22 think that \$100,000, frankly, is going to turn out not to be enough money. One of the
23 things I am going to do is see if we can add at least \$50,000 to the Reconciliation List
24 because...

25
26 Councilmember Praisner,
27 I'll second that motion.

28
29 Councilmember Silverman,
30 What's -- I'm sorry, what's the motion?

31
32 Councilmember Perez,
33 \$50,000, so it would be \$150,000 total. There's already \$100,000 in the budget and I'd
34 like to add \$50,000 more. But more importantly I think we just have to have a
35 conversation about how do we prevent these things from happening. Because I'd like to
36 expand zero, because we will have done...

37
38 Councilmember Silverman,
39 It's a lot of beans!

40
41 Councilmember Perez,
42 Yeah, we will have done the job in advance of preventing situations. I think we also
43 need to have a conversation with Park and Planning about provisions that need to be in
44 the site plan approval process. We need to have explicit conditions of site plan approval



July 25, 2006

1 that if there are businesses in the immediate area that can demonstrate they have been
2 adversely affected, that you are on the hook as a condition of the approval of this
3 project. Because I frankly don't think it's fair that the County is the only one -- and I have
4 talked to you a lot about the things that you're doing to try to minimize some of the
5 economic impacts, and I appreciate your best efforts, but I don't think it's the County
6 alone that ought to be on the hook. I think if we're going to talk about partnership then
7 we should have partnership at every phase, which includes the phase right now where
8 an entity they want to have around, I assure you that all the people who are going to live
9 in those wonderful condominiums are going to love walking a block to Mayorga's. But
10 they may not have that opportunity unless we take some action.

11
12 David Edgerly,
13 If I may?

14
15 Councilmember Perez,
16 Let me get off my hobby horse that's hurtin' my butt.

17
18 David Edgerly,
19 That was very well said. And as we talked last week, the week before, we're all
20 concerned about this. The amount of scrutiny was amazing that went into the creation of
21 that project, of those approvals, lots of people looked at those plans that were put in
22 place to provide for interim and parking plans and so forth, and lots of people said that
23 they were good. Including the company. Including the companies in the retail
24 environment in that area. It didn't work. And Council President has pointed that out in
25 great detail very forcefully. I appreciate that. What I'd suggest is we do a couple things
26 and I certainly appreciate the gesture of the motion and second to add money to the
27 Emergency Impact Assistance Program. Second, I would suggest the Council may at
28 this juncture want to consider a waiver to the \$20,000 limitation that was put in place by
29 this body on individual transactions because of unique circumstances and allow the
30 Department to have discretion in that regard. And, third, I would ask that we not have to
31 demonstrate adverse impact. Somebody has to be damaged before we can act and
32 they commit it to us, and that's Council action. We should be able to ascertain whether
33 we can predict the impact and evaluate our success in trying to mitigate that. Those
34 things would help us as we try to do the right thing as this program moves forward. But
35 without those actions we have a very small program, with very little money, that can
36 provide some important assistance, but not in a situation like this.

37
38 Councilmember Perez,
39 I have no objection to your number -- I only speak for myself -- I mean your number
40 two... I wouldn't object, although it creates a potential for unfairness if you have
41 \$150,000 fund. And my recollection is there is one, I think he might be able to consume
42 the whole fund at the moment. And obviously that would require an exercise of sound
43 discretion. I have faith in your discretion, so I wouldn't necessarily be adverse to that
44 because I recognize that \$25,000 is an arbitrary figure and in this case that's going to



July 25, 2006

1 represent a month and a half of loss. That \$20,000 gesture is really pyrrhic at best for
2 him. As for the third, I'm not necessarily -- I don't think I object to that, although I would
3 want to prioritize -- I guess my instinct would be if someone's been actually damaged
4 already I would want to help them. And then, in terms of my triage, it's kind like the
5 emergency room, you guys are already damaged, let's get to them first and get the
6 tourniquet. And then somebody needs some preventive health care, let's get to them
7 second.

8
9 David Edgerly,
10 Hopefully we will operate that way.

11
12 Councilmember Perez,
13 And so if there were an understanding that we have that sort of triage I'd have no
14 objection to that either. I don't know that you are going to get to that, frankly, given the
15 current makeup, but I wouldn't have any problem giving you that. But, again, I only
16 speak for myself.

17
18 David Edgerly,
19 It's up to this body. The final thing I'd offer is that there are certainly public things -- I'm
20 not sure there's anything that has been suggested that we haven't tried, whether it's
21 putting up signs -- better signs and meetings with the community. Trying to get
22 advertisements out, you know, "We're open for business," "Something's happening
23 here," and that type of thing. There are also some private things that we're doing that
24 unfortunately we really can't talk about in a public session. I'd be happy to brief
25 individual members or if you wanted to have a session, a closed session, to talk about
26 this particular issue I'd be happy to participate in that also.

27
28 Council President Leventhal,
29 Did you received the e-mail I sent you regarding this business?

30
31 David Edgerly,
32 I did. I did.

33
34 Council President Leventhal,
35 The information you'd asked for? Mr. Knapp.

36
37 Councilmember Knapp,
38 Thank you, Mr. President. I appreciate the comments and remarks of Mr. Perez. We
39 have had a lot of conversation about redevelopment. We have a situation that's getting
40 worse in Germantown that is directly attributable to the County. We have a library that
41 was supposed to have been done a year ago and restaurants that have gone in across
42 the street with an expectation that 100,000 people, at least, would be moving into the
43 library. And, in fact, at this point we don't even have any time line as to when the library
44 will be open. And so you have restaurants that are there and struggling. And some are



July 25, 2006

1 doing okay, but they can all point to many of the same issues that we're talking about
2 here. And so my question to you is would it be -- given the way that this fund is
3 structured -- is would those restaurants even be eligible to come in your door to have a
4 conversation?

5
6 David Edgerly,

7 Under the way the regulations read now I don't think so because they were -- I don't
8 know. We will have to take a look at it, perhaps they would. Generally you have to show
9 a history and most restaurants or most businesses that are affected give us historical
10 data. Since they are new it's kind of hard to do. But certainly they were in anticipation of
11 the library being there. That's one of the things that's unique about this particular
12 appropriation, it's flexible. To that extent it's confusing. Flexibility doesn't always mean
13 clarity. We do it on a case-by-case basis and we could look at any request that would
14 come in from anybody that's the proximate to a County project. The caution is, as was
15 just pointed out, it's a very limited resource.

16
17 Councilmember Knapp,

18 No, I am very supportive of the additional \$50,000, but I'm sure we could find any
19 number of ways to spend it.

20
21 David Edgerly,

22 It's still a limited resource.

23
24 Councilmember Knapp,

25 But the reality is until we can quite honestly get some measure of accountability in some
26 things, we can languish for a long time. And at least by forcing us to make some
27 restitution or provide set of resources to those places where we have been in error, at
28 least raises the question and increases the level of visibility in issues the way they may
29 not have been raised otherwise. I'd want to encourage your Department and reach out
30 to those businesses located in the Germantown Town Center, which are struggling at a
31 time when we were hoping to catch some momentum and hope that they will flourish.
32 And the reality is that probably for at least the next year they will continue to limp along.

33
34 Council President Leventhal,

35 Okay, there is a motion before the Council made by Mr. Perez and seconded by Ms.
36 Praisner to add \$50,000 to the fund for grants to small businesses impacted by the
37 County's revitalization projects. Did I understand, Mr. Perez, that you are modifying the
38 motion to incorporate the two suggestions made by Mr. Edgerly regarding limits on the
39 amounts to be made and also the requirements for how grants could be made?

40
41 David Edgerly,

42 It was a budget action when it was done, it's not regulation.

43
44 Councilmember Perez,



July 25, 2006

1 We did it all in connection with the budget, we didn't pass a resolution, we didn't pass...

2
3 Councilmember Praisner,
4 I wasn't sure what regulations...

5
6 Councilmember Perez,
7 I have no objection to doing that, with the caveat that I mentioned in terms of triaging.

8
9 Council President Leventhal,
10 Is there objection to including those funds on the Reconciliation List? Ms. Praisner
11 wanted to speak.

12
13 Councilmember Praisner,
14 I don't object. I think the problem is one entity could absorb the whole amount and I
15 think Mr. Perez's triaging... I think, much as we get the Economic Development Fund
16 report, we should be getting a report with some accountability associated with it. What
17 specific measures were provided, what was the problem, and what specific measures,
18 what information was provided, and what has been the outcome? That kind of thing is
19 necessary since we have that kind of investment.

20
21 Council President Leventhal,
22 Okay, hearing no objection the item is added to the Reconciliation List and the
23 conditions are proposed to be changed. If I'm understanding this narrative correctly in
24 the remaining weeks before the end of Fiscal '06 you still have \$40,000 in the fund
25 appropriated for '06.

26
27 Peter Bang,
28 Yes, about \$40,000.

29
30 Council President Leventhal,
31 Very good. So any business that's in urgent need of relief need not wait until July 1.

32
33 Multiple Speakers,
34 No. Correct. That's correct.

35
36 Council President Leventhal,
37 Excellent, and that concludes the discussion of the Economic Development Fund.
38 Thank you, the Economic Development Fund is approved by the Council. We now turn
39 to the Department of Health and Human Services. And let me announce now, I think,
40 that the Merit System Protection Board, the Office of Legislative Oversight, and the
41 County Council Office will be put over until first thing tomorrow morning. Will Director
42 Colvin and anyone else from her team that she needs please come forward? I will work
43 through this as quickly as I reasonably can. We have a budget for the Department of
44 Health and Human Services of \$237.8 million, 1,501.6 work years. This is an increase



July 25, 2006

1 of 8.3% over the approved FY '06 budget of \$219.6 million. The Committee worked very
2 intensively on this budget. There is no corner of it that was left uninvestigated and we're
3 going to work through as promptly and rapidly as we can. On administration for the
4 Department, generally we agreed to the County Executive's recommendations with an
5 addition of \$473,210 -- I'm sorry, no, these were the County Executive's
6 recommendations. We added permanent supported housing for homeless individuals
7 and families, \$500,000 for a deep subsidy program for 55 homeless individuals and
8 families. This is added to the Reconciliation List. We also recommended an inflationary
9 adjustment for non-profit service providers, \$200,000 addition in two \$100,000
10 increments This would only providing for an additional 1% inflation adjustment, but that
11 was as much as the Committee wanted to add to the Reconciliation List. For
12 Community Service Grants, the Executive recommended a total of \$524,090. These are
13 merit-reviewed, panel-reviewed grant application in Tiers One and Two. The Committee
14 said that if we had the money we might seek to fund the grants in Tier Three, these are
15 listed on page six, for those of you who want to go over them. And that is it for
16 Administration. There are -- apparently there is a question. Ms. Praisner.

17
18 Councilmember Praisner,

19 Yeah, I had a couple of questions. I am very frustrated by the fact that the Council put in
20 additional money to -- this year to help with technical support to bring the systems up to
21 some kind of integrated system. And again this year the Executive has put no financial
22 support in at all. So that what we're doing is taking half a step forward in mid-year when
23 the Council looks at this issue and then almost backpedaling for the next year. If we --
24 and I think this is absolutely incredible given the fact that the I.G. just commented that
25 the outcome measures and performance measure documents are inadequate because
26 they are guesstimates of people served because we don't have good information. And if
27 we're going to continue to try to say we want to serve families it seems to me we're not
28 really knowing if we're serving the families in multiple ways unless we can integrate our
29 technology systems. It flabbergasts me that here we are again with another year, where
30 infrastructure is taking a backseat. And when I recommended the one-time-only money I
31 was told, "Don't worry, these things will be taken care of in the '07 budget." And I am
32 glad we pushed it for HHS, because there is nothing in the '07 budget. I'd like to know
33 what the next increment in technical support needed, such that we can build on what we
34 did in '06. And I'd like to get that information such that we can put in on the
35 Reconciliation List. The other question I have is on LAPSE. Where, again, it seems to
36 me there are certain places where the dollar amounts for LAPSE -- I'll just make that
37 note -- the dollar amounts for LAPSE are the same dollar amounts for personnel costs
38 in this year as they are last year, and the salaries obviously have increased. I guess it's
39 a piece of the conversation MFP will continue to have with OMB outside of the budget
40 discussion, so we can look at this in a comprehensive way. But technology or whatever,
41 or financial systems or whatever, at some point we have to get handle on these things. I
42 don't know how much the money is that we're not tracking appropriately, but it could be
43 a little, it could be a lot. And we continue to have this problem. Before you move to
44 Children, Youth, and Families, the question that Joan raised in the packet relative to the



July 25, 2006

1 potential overlap of the housing initiative, that's Special Needs Housing initiatives and
2 the Councilmembers' Housing Initiative, I'm not sure, how do we make sure that there
3 are outcome measures and whenever regulations need to be in place for the
4 Executive's proposal? And how will we coordinate this if the Council funds some of the
5 Reconciliation List requests as far as the Deep Subsidy For the Homeless? Will the
6 Committee back to this at some point?

7
8 Council President Leventhal,
9 We will.

10
11 Councilmember Praisner,
12 'Cause the Executive's proposal and the Councilmembers' proposal appears to have
13 some potential for duplication and overlap if we don't get it right.

14
15 Council President Leventhal,
16 We discussed that in Committee, Ms. Praisner. The additional \$500,000 is solely for the
17 purpose of addressing the needs of formerly homeless people. The County Executive's
18 initiative would apply to homeless and any other special needs person. The expectation
19 is that the additional funds proposed by myself and Mr. Silverman are additional, above
20 and beyond what the County Executive is proposing. The programs are similar, but
21 there is a vast pool of people who could potentially benefit, and even with the additional
22 half-million dollars we're nowhere near meeting the need. So I'm not concerned that we
23 will be serving the same people twice or that overlap will exist. There is a slight
24 difference again in so far as developmentally disabled, needy elderly would also be
25 eligible for the County Executive's initiative, would not be eligible for the additional
26 \$500,000. Those would only apply to those who are homeless.

27
28 Councilmember Praisner,
29 I appreciate that and as I read the packet I think I understood that, but my problem is
30 making sure that when we evaluate and report the effectiveness that we're clear about
31 families who, in some cases, tend not to meet discreet individual characterizations but
32 have across-the-board, could meet multiple niches, it seems to me.

33
34 Council President Leventhal,
35 And I can assure Ms. Praisner that the Committee will return to the issue of
36 homelessness and special needs housing. Essie, did you want to...

37
38 Essie McGuire,
39 Just to add on that the Committee did discuss that when the regulations come back the
40 Executive does intend to promulgate regulations for that program. And the Committee
41 did discuss that at that time they would look into how the two programs could be
42 operated more consistently together in the future, Ms. Praisner, along the lines you
43 were discussing.



July 25, 2006

1 Council President Leventhal,
2 Right, we anticipated the question. Mr. Knapp.

3
4 Councilmember Knapp,
5 Thank you, Mr. President. A quick question before we jump into the rest of this budget. I
6 know that there is a new strategic plan that the Department adopted earlier this year --
7 or late last year. My question is as you formulated this budget using the new strategic
8 plan, what did you do differently? How did that help guide this process in a way they
9 that improved it, I hope? And how did that change your outcomes and performance
10 measures now that you had more strategic plans to put them in alignment with? Push it
11 down. Other way. Push it again.

12
13 Carolyn Colvin,
14 The strategic plan had not been fully completed in time to integrate the budget for FY
15 '07 into that. And so the FY '08 budget will be the first budget that really will be built on
16 the strategic plan. However, the next step, now that the strategic plan has been
17 developed, is to modify some of our performance measures. So that's something we're
18 going through for the first year. So we have already indicated that we expect that some
19 of the performance measures will be different than the performance measures are in
20 Montgomery Measures Up, because a lot of those performance measures were
21 outcome -- I mean were process outputs, as opposed to outcomes. So that each service
22 area has been working on identifying their very specific outcomes that will be related to
23 each of the goals that are in their service areas. So this year I cannot say that the
24 budget was really developed in coordination with the strategic plan.

25
26 Councilmember Knapp,
27 That's something for us to look forward to?

28
29 Carolyn Colvin,
30 We will be releasing the strategic plan momentarily, and then you will have -- and I think
31 the Council President asked that at some time during the year, we come back and talk
32 about performance measures that we're developing. I don't know if you want to add to
33 that, Essie?

34
35 Essie McGuire,
36 No, just that the Committee did discuss coming back to that during the summer or fall.

37
38 Councilmember Knapp,
39 So the big challenge is to hope that the strategic plan that the Department has focused
40 on somehow falls in alignment with whoever is the next County Executive. So that we
41 don't end up in a situation where we've taken all this time, we've turned the boat around,
42 we're now going down this road with the strategic plan, and someone comes in and
43 takes a different direction.



July 25, 2006

1 Carolyn Colvin,

2 I don't think that you'll see a major different direction because we had the entire
3 community involved in the process. We had representation from the Council, from the
4 stakeholders, you know, the consumers, as well as the advocates. And I think that -- I
5 would expect that whoever the County Executive is will be looking at what the
6 community has demonstrated as the priorities in this area. There may be some
7 modification, but I don't think you'll see a total change. And one of the things we're
8 pleased to note that occurred was that many of the things we were already doing in the
9 Department fell in line with what the community and the consumers thought we should
10 be doing. We had just never formalized it and had that input. So there were eight major
11 goals that have been developed as a result of the Strategic Planning process.

12
13 Councilmember Knapp,

14 I will be honest with your final point, that's one of the things actually that concerned me
15 the most about the plan is the fact that we have a strategic plan, usually it's to refine and
16 focus thinking. And when everything you're already doing falls into the refinement of a
17 strategic plan I find that disconcerting. Because usually you are trying to refine your
18 mission and the fact everything fell into the refinement of that mission...

19
20 Carolyn Colvin,

21 Well, no, everything did not fall in. In fact there were a number of things that staff and
22 consumers would like to have seen go in that did not go in. We really narrowed it down
23 to eight very specific primary goals. And in fact there was a lot of discussion around two
24 of the goals that we had because individuals raised why we were focusing on them as
25 primary goals. And what we said was they were critical to moving our consumers to self-
26 sufficiency. And we would not be the lead on them, but we would be very much involved
27 in making certain they happen. One was employment and the other was housing if you
28 recall. And that was because affordable housing or special needs housing was a big
29 issue for us as we attempted to move individuals toward self-sufficiency, as was
30 employment. And I don't believe the Department had adequately focused on those two
31 in the past. And then, of course, the other things, like safety and well-being of our youth,
32 our health, et cetera, there is no way as a Department we could move away from those.
33 So I think when you look at that, you will see there really is a refinement and greater
34 focus. And then the next step will be really looking at the outcomes that we need to be
35 focusing on as we move forward and not really measure how many clients we're seeing,
36 which really doesn't indicate what the outcomes are going to be for us.

37
38 Councilmember Knapp,

39 Right, I look forward to seeing how that formulates over -- in the coming months. Thank
40 you.

41
42 Council President Leventhal,

43 The next service area is Children, Youth, and Families. The Executive recommended
44 \$59.6 million for this service area, 438.6 work years. We're not currently experiencing



July 25, 2006

1 any waiting lists in the Working Parents Assistant Program, neither is the state's
2 Purchase of Care Program experiencing a waiting list at the present time for
3 Montgomery County families. So we're happy to provide the level of childcare subsidies
4 recommended by the County Executive. And with respect to the Center For Adoption
5 Support and Education the total recommended would be \$200,000 to annualize
6 therapeutic services provided by this contractor to 60 children involved with Child
7 Welfare who have been adopted. The organization is asking for additional funds for
8 children who are just adopted who may not have been the subject of -- who may not
9 have worked with Child Welfare. And that's going through the Council's grant process.
10 We added to the Reconciliation List \$56,000 to reinstate Continuing Education
11 scholarships for approximately 100 childcare providers. We added a substantial amount
12 of funding for the Child Assessment Center, now called the Treehouse, which in other
13 counties is a function of County government. In our county we have this somewhat
14 arm's-length relationship, but we're providing a big chunk of its budget. We
15 recommended that the Treehouse add \$83,450 to increase physician time to full-time.
16 We also added to the Reconciliation List the Treehouse's request for \$20,500 for a
17 colposcope to assess damage done -- physical damage to victims of abuse, and
18 \$15,620 to increase the Family Advocate to full time, and \$26,250 for Administrative
19 costs. These are on the Reconciliation List. For Child Welfare, we continue to have
20 social workers who are overburdened and stretched very thin. We understand that
21 adding five Community Service Aides, each in an increment of \$43,900 to pay for the
22 Community Service Aide and a car, because they need to get around the county to
23 assist in keeping track of these challenged families and children. We also
24 recommended adding to the Reconciliation List \$25,740 for a part-time position to focus
25 on recruitment and retention of staff for Child Welfare Services. Any questions on
26 Children, Youth, and Families? Ms. Praisner.

27
28 Councilmember Praisner,
29 Is the High School Wellness Center a part of this area?

30
31 Unidentified Speaker,
32 It's the next page.

33
34 Councilmember Praisner,
35 The next section? Okay. And the grants requests you're going to do at one time then?
36 The SHARP Street and those are in the next -- with Linkages in that area? Okay.

37
38 Council President Leventhal,
39 Okay, we have a number of programs for which we share jurisdiction with the Education
40 Committee. These include Linkages To Learning, High School Wellness Centers. Let
41 me start with those. We supported the Executive's recommendation on Linkages To
42 Learning, we acted on these jointly with the Chairman Subin and the Education
43 Committee. \$508,870 for two new Linkages to Learning sites in FY '07. Some of these
44 funds we believe can be paid for out of our Capital Budget and we recommended



July 25, 2006

1 \$80,000 be included in the Capital Budget rather than the in the Operating Budget for
2 Linkages to Learning. For the High School Wellness Centers the County Executive
3 proposes \$131,670 to fund a High School Wellness Center as part of the Gang
4 Prevention Initiative. We've had a number of conversations with the School System and
5 with HHS as to where this facility will be sited. We will continue to monitor that closely.
6 Essie, I don't think we've found a solution of that as to today's date, but we're still
7 working on it.

8
9 Essie McGuire,
10 But you did add money for Feasibility and Planning to the CIP.

11
12 Council President Leventhal,
13 Thank you. We added \$240,000 in capital funds, G.O. Bonds, for a feasibility study and
14 planning of a High School Wellness Center. Regarding the George B. Thomas, Senior,
15 Learning Academy, there is funding in the base budget of \$445,915. The Executive as
16 recommended a \$200,000 grant for a total funding of \$640,915. The organization can
17 do more with more funds and they have requested even more funds. We will discuss
18 that as part of the grant process. Ms. Praisner.

19
20 Councilmember Praisner,
21 Just a technicality, I thought feasibility studies were done with Current Revenue, not
22 with bonds. I don't think you can do a feasibility study with bonds. It has to be Current
23 Revenue. That piece. You can do the design pieces but you can't do a feasibility study
24 with bonds.

25
26 Essie McGuire,
27 We can make that adjustment.

28
29 Councilmember Praisner,
30 You can check with Glenn, but I believe that's true.

31
32 Essie McGuire,
33 We will make that adjustment.

34
35 Council President Leventhal,
36 Also on the Reconciliation List, we proposed \$500,000 in five-\$100,000 increments to
37 assist in meeting the workload on school health room technicians as a result of
38 expanding all-day kindergarten throughout the county. We also suggested on the
39 Reconciliation List an item strongly supported by Mr. Knapp for a new SHARP
40 Suspension Program site at Watkins Mill High School and an additional \$540,000 on the
41 Reconciliation List to strengthen the existing SHARP Suspension Program at the six
42 sites where it currently operates. In this service area on the Capital Budget we added
43 \$80,000 in G.O. Bonds to the school-based Health Center Projects for capital
44 renovations at Connecticut Park Elementary School. That's the \$80,000 transfer from



July 25, 2006

1 the Operating Budget I referred to earlier. we added \$285,000 in G.O. Bonds to the PDF
2 for school-based health centers for capital renovations to Downcounty Consortium
3 Elementary School Number 28. We added \$240,000 in G.O. Bonds already referred to
4 for the feasibility study for another High School Wellness Center, and we changed the
5 name of this PDF. Ms. Praisner.

6
7 Councilmember Praisner,

8 I vaguely remember -- I don't have any problem with SHARP Street Program expansion.
9 And I definitely think they need more money at the existing services, but I thought the
10 Watkins Mill High School students were already served by a SHARP Street Center. So
11 if -- I don't think this one is at the school, it's at a church. And it occurred to me I don't
12 think I have a list. Maybe it's in the packet and I missed it -- of all of the SHARP Street
13 Centers, where they're physically located and what high schools they serve, because I
14 thought Watkins Mill students were now going to the one that serves Watkins Mill,
15 Seneca, Northwest, et cetera. I don't have any problem with relocating it, but is it going
16 to be exclusively for Watkins Mill students then? How many do we have where there's
17 an exclusive school?

18
19 Council President Leventhal,

20 Introduce yourself, Kate, when you press the microphone.

21
22 Kate Garvey,

23 I'm Kate Garvey from Health and Human Services. We have not gotten into the detail of
24 exactly the service area. Mr. Knapp has presented it as really wanting to have a focus
25 on that school. And I'm not sure because that's not -- we've had typically a broader
26 approach.

27
28 Councilmember Praisner,

29 Right, it's been more than one school, except maybe the Gaithersburg -- I'm not sure. I
30 think it would be helpful if community people asked me, which they often do, because
31 everybody is so fond of the SHARP Street program. And I think that we need to put
32 additional support in. I think we've been doing it as minimally as possible and we need
33 to put more support in, but it would seem to me that I could use -- and I don't know if
34 others could -- a list of the locations and the high schools that they serve and the
35 numbers of students coming from those schools. Recognizing that somebody isn't
36 permanently assigned there, but in general if you are having a mix of schools, where's
37 the predominant population coming from? And the other piece, many of these centers I
38 believe have significant in-kind support that comes both from the host location, but also
39 from the businesses, in some cases like City of Gaithersburg does tremendous help
40 with one near them in their community. So I think it would be important for us to have a
41 comprehensive list...

42
43 Kate Garvey,

44 Sure, we could get that to you by tomorrow.



July 25, 2006

1
2 Councilmember Praisner,
3 ...to help people with where we may want to go with this in the future. Thank you.
4

5 Council President Leventhal,
6 The next service area is Aging and Disability Services. The Executive recommended
7 \$35.4 million and 170.4 work years. We supported the Executive's recommendations for
8 \$1,170,960 for Respite Care Services. We supported the Executive's recommendation
9 for the supplement to nonprofit organizations serving adults with developmental
10 disabilities. This is an increase of \$425,000 for a total of \$7,394,000. For the Senior
11 Health Insurance Program, the Executive added funds that prior had been treated as a
12 separate community grant, added those to the base for a total of \$166,556. We added
13 to the Reconciliation List quite a few items in this area for home care. Each increment of
14 \$80,000 would add five individuals to the number of people that can receive home care.
15 These are our most frail and unable to help themselves and most needy elderly, so two
16 increments of \$80,000 on the Reconciliation List for home care. For support of
17 employment we suggested \$50,000 on the Reconciliation List to provide additional
18 support of employment to people with disabilities. For Transportation Services we
19 suggested two increments each of \$90,000 to provide additional transportation for
20 seniors who wish to attend activities at community centers. And then \$10,000 was not
21 added to the Reconciliation List. Rather, it was restored to the budget as a result of a
22 bookkeeping error. This would maintain in the base -- and we understand it was
23 intended to be maintained in the base -- the Friendly Visitor Program operated by the
24 Mental Health Association. Mr. Silverman?
25

26 Councilmember Silverman,
27 Yes, just on that -- no, I'm not going to add any money. Just on that can we make sure
28 on that and the other, the hotline, that there is some notation on the Reconciliation List
29 so that when we're looking through a Reconciliation List -- which some people have
30 characterized as perhaps as big as the budget itself -- that this will be noted that this
31 was an oversight and can be treated as Councilmembers want to but at least there is
32 some notation on that. Would that be possible?
33

34 Council President Leventhal,
35 We will ask staff to communicate that.
36

37 Councilmember Silverman,
38 Thank you.
39

40 Council President Leventhal,
41 And then with respect to the Senior Strategic Plan we recommend -- the Committee
42 recommended level funding, the same amount as last year, \$75,000. This is less than
43 the County Executive recommended. There seem to be questions. Mr. Andrews?
44



July 25, 2006

1 Councilmember Andrews,
2 Thank you, Mr. President. This may be covered already, perhaps it's in a different part
3 of the budget and I missed it, but in public hearings the Commission on Aging testified
4 about the need for a lot of basic maintenance at senior centers, peeling paint, crumbling
5 tiles and ceilings, and so on. Where would that be funded in the budget? Is that DPWT?

6
7 Councilmember Floreen,
8 We did that.

9
10 Councilmember Andrews,
11 We did that? Okay.

12
13 Councilmember Floreen,
14 We had that on the spreadsheet of facilities to be supported, spread out between Rec
15 and DPWT and Libraries.

16
17 Councilmember Andrews,
18 Okay, good. Thank you.

19
20 Council President Leventhal,
21 Mr. Knapp.

22
23 Councilmember Knapp,
24 I was curious about the status of the Senior Strategic Plan. I know that we got part of
25 the money out there. I just have never heard an update.

26
27 Council President Leventhal,
28 Let me state on that, that as with many other strategic plans we have heard described,
29 for example a \$25,000 strategic plan for the Arts and Humanities that we placed on the
30 Reconciliation List, a \$12,000 survey of the Status of Women, that the Commission of
31 Women is about to bring in, we've added \$4,000 to their budget for additional printing,
32 so that will come in at a whopping \$16,000. One year ago when the Committee
33 recommended and the Council appropriated \$75,000 for the strategic plan, we actually
34 thought that we would get a strategic plan. It turned out that was only the first down
35 payment on the strategic plan. So, Dr. Kenney, perhaps you could fill us in on the status
36 of what we got for our \$75,000 and why we need an additional similar amount?

37
38 Dr. John Kenney,
39 Yes, thank you. The \$75,000 that was put into this year's budget -- when we received --
40 the request was for \$200,000 -- when we received the \$75,000 -- I thought it was clear
41 that we appreciated that and said we would do what we can with \$75,000. There was no
42 thought in our minds that we could be able to accomplish with \$75,000 what our
43 proposal for \$200,000 was intended to accomplish. So we went back and we consulted
44 with our key advisers, the Commission on Aging primarily, but also the [INAUDIBLE]



July 25, 2006

1 representatives who had been very strong advocates for this, as you will recall, and
2 started to say, "What can we do at \$75,000?" And so what we are doing with that's we
3 divided up the work that our own staff could do, and that largely focuses on the
4 quantitative statistical aspect of that, the hard data in partnership with Park and
5 Planning and also with our own Department of Technology Services for the GIS
6 mapping aspect of that. And we're pulling together the best data that we have available
7 through, again, Park and Planning, our own national data, doing extrapolating, but really
8 trying to tie it down to our own specific information so it's accurate. We have done that
9 part of it, the quantitative for both current needs as we can best ferret them out as well
10 as projecting into the future where we see seniors moving into the future according to
11 the current trends that we have, the census data, and so forth. That presentation has
12 been given to the Commission on Aging, also to a community group, specifically to the
13 Rockville City Strategic Planning Group that we've been partnering with so we can be
14 sort of hand and glove on our efforts there. The other aspect of it, and here's where the
15 \$75,000 is being expended, we have contracted with Towson University with the Center
16 for Productive Aging to really conduct the more qualitative analysis of that, specifically
17 to conduct focus groups and larger, sort of quasi town hall meetings, if you will, to really
18 pull all of our -- as many of our partners as we can. It also will be comprised of an online
19 survey that will be primarily provider-based at this point. And, again, trying to hear from
20 our community what their needs, preferences, desires, perceptions are of what we do
21 well or don't do well and what we have sufficient amount of or quality of, and what we
22 don't, and need to get their reading on that. At the result of that the report will be -- also
23 included in that is a comprehensive review of best practices -- And, again, with the staff
24 of the Center for Productive Aging, they will be the lead on that; the advisory group,
25 which is about a 30- to 35-person advisory group, which we will have a list of if you
26 haven't seen that already; the Council, we've asked President Leventhal to, himself or a
27 designee, to be part of that effort; the faith community, our racial, cultural, ethnic,
28 minority communities, business sector, caretakers, advocates, consumers, et cetera,
29 comprise that committee to advise the Towson University on the next sort of seven-
30 month process, as we see it. So we will get the report in a larger event that shares the
31 results of their study.

32
33 Councilmember Knapp,

34 Okay, so you've got the \$75,000, so you've done those things. You get this additional
35 money and this gets you to what?

36
37 Dr. John Kenney,

38 Okay, if we're referring to this I guess it's fees.

39
40 Council President Leventhal,

41 I'd like to clarify did everything you say come under the '06 appropriation of \$75,000 or
42 is that the whole scope of the project beyond the 75?

43
44 Dr. John Kenney,



July 25, 2006

1 That's under the '06 appropriation of \$75,000. I believe the actual contract was roughly
2 69 or 71 and change, I believe, with Towson University.

3
4 Councilmember Knapp,
5 So that sets the foundation, if I hear you right, I hope. So then with the additional
6 \$75,000 you...

7
8 Dr. John Kenney,
9 The additional \$75,000, we will -- and again, the proposal from the Executive was a
10 recommendation for \$125,000 as we scoped it out. We will, to the best of our ability try
11 to accomplish that with \$75,000. And what that is will be a randomized scientific survey
12 of our community in terms of looking at the households, based on the composition of
13 seniors we know that one in every five houses -- homes has a senior in it. We will
14 survey that randomly, statistically, on a host of areas: health, mental health,
15 transportation needs, prescription drugs, financial security, nutritional security, wellness,
16 well-being, civic engagement, well try to tap into both the, if you will, the downside of
17 aging in terms of where there are functional needs and gaps as well as the vital aging
18 aspect of that since many of our seniors are looking to be contributing members of our
19 community, and try to look at that aspect of it also. That one general survey we estimate
20 that that will cost us approximately \$10,000 for that complete survey. Another aspect of
21 that, because our studies in the past have fallen short in terms of tapping into our
22 cultural and our LEP populations, limited English proficient populations. From the
23 beginning, a clear intent was to oversample the LEP populations to make sure we hear
24 from those groups in terms of what perhaps their specific needs are. So two randomized
25 surveys of our community. And then with the results of that we envision really what
26 would be the solutions group actually, all of this is a needs assessment and a gap
27 analysis, if you will. But the second part and most of the funds were to be used to really
28 tackle those issues by a series of smaller contracts but with multiple entities looking at
29 content specific information such as transportation, housing, perhaps healthcare,
30 wellness, and those areas concurrently carrying out that action and solution-focused
31 group.

32
33 Councilmember Knapp,
34 Do you have an outline that lays out kind of all your actions and activities, or how the
35 pieces fit together?

36
37 Dr. John Kenney,
38 Yes, we do. We spelled this out in a document.

39
40 Councilmember Knapp,
41 I'd love to get a copy. This is critically important. We do lots of strategic plans as the
42 Council President has talked to. I'm not sure we've implemented well and we spent a lot
43 of time on the strategic plan part and then the actual putting out and assessing, that's
44 the hard part. It's one thing to do the strategic plan and that identifies the issues and



July 25, 2006

1 sometimes that's good in and of itself because it raises the level of awareness. but then
2 to move into the actual implementation phase, I'm curious to see what the outline is and
3 how you plan to come together. And so with this -- be it the 75 or 125, however we get it
4 there -- would you -- when would you anticipate having the complete document?

5
6 Dr. John Kenney,
7 Our time frame would be to complete the surveys of the community both by general
8 population and oversampling the LEP population, that would be accomplished by
9 roughly September, and then the solutions-oriented groups would run from September
10 through January of 2007. So that by this time next year we would come back with the
11 results of those groups.

12
13 Councilmember Knapp,
14 You have a plan?

15
16 Dr. John Kenney,
17 Yes.

18
19 Councilmember Knapp,
20 Okay, thank you.

21
22 Council President Leventhal,
23 Ms. Floreen.

24
25 Councilmember Floreen,
26 On that subject, I wanted to go further than just talk about it. Jay, this plan started out at
27 what number a couple years ago? Was it a much larger number?

28
29 Dr. John Kenney,
30 I believe the recommendation last year was \$200,000.

31
32 Council President Leventhal,
33 The original recommendation from the Commission on Aging was \$500,000.

34
35 Councilmember Floreen,
36 Yeah, it was lot larger.

37
38 Dr. John Kenney,
39 Certainly, it was.

40
41 Councilmember Floreen,
42 And it was reduced to 75?

43
44 Dr. John Kenney,



July 25, 2006

1 Correct.

2
3 Councilmember Floreen,
4 Now we're reducing the second -- well, the proposal is to keep it at 75 again this year?

5
6 Council President Leventhal,
7 That's the Committee's recommendation.

8
9 Councilmember Floreen,
10 You know, this is I think an important kind of plan because this is the -- I continue to be
11 moved by the...

12
13 [MUSIC]

14
15 Councilmember Floreen,
16 The music!

17
18 Councilmember Silverman,
19 Sorry.

20
21 Councilmember Floreen,
22 The vision of the tsunami that was brought to our focus -- attention a couple years ago.
23 And I think it's a mistake cannot fund this more completely. We're just going to keep on
24 doing this in pieces, in dribs and drabs, until we get it right. And by the time the money -
25 - proper amount of money is allocated we will have to do it all over again at the rate
26 we're going. I'm going to move that we add the proposed \$50,000 at least to the
27 Reconciliation List, so it can be part of the Budget Reconciliation List process.

28
29 Councilmember Praisner,
30 I'm going to second that, but then I have some comments.

31
32 Council President Leventhal,
33 Ms. Praisner.

34
35 Councilmember Praisner,
36 I think it may need a little more money but -- and that's why I seconded did it because I
37 think Council may want further information. Quite honestly I don't think we're going
38 about this in the right way. I think this is an issue of surveying -- surveying is the least
39 important of this issue. Assessing the population and the level of needs and then
40 projecting that population needs based on our previous population and current
41 population and also looking at the geography of that population and what is the
42 government level of service that you can expect, rather than asking people what they
43 want is basically more important, in my view.



July 25, 2006

1 Councilmember Floreen,
2 [INAUDIBLE]

3
4 Councilmember Praisner,
5 I worry about bringing lots of folks in for expectations and trying to manage those
6 expectations as opposed to doing a real democratic assessment and also --- if I can go
7 back to my pet subject -- analyzing the data you should have in HHS of whom you are
8 serving now. The extent to which nonprofits or others are serving the senior population,
9 and what their economics look like and what their geography looks like. And what the
10 projected increase in that population looks like and what assumptions you make based
11 on current population from the standpoint of as we get a larger, older population, what
12 are those needs like, as opposed to a more active senior population. And trying to make
13 some judgments about what we know nationally and otherwise. And then I'd bring the
14 focus group in to validate the information and double-check it. But not to have all whole
15 series of meetings that focus groups asking people they want. Because we have to
16 know first of all what they are and what we do for what we do do now, in order to make
17 some judgments about where we need to go. You've fold that into an assessment of
18 what is government's role. And what-- maybe a partnership with nonprofits and if it's an
19 employment piece that needs to engage folks who are not part of Health and Human
20 Services. If it's a transportation piece that's not necessarily a function of Health and
21 Human Services. So it engages other departments of government, nonprofits, et cetera,
22 not necessarily asking the community to tell you all of the things they would like to do
23 because we have had that already. We have got that. That's what the Commission on
24 Aging is for, that's what [INAUDIBLE], that's what all of the folks who have been talking
25 to us have already said. I seconded Ms. Floreen's motion because I'm not sure whether
26 \$75,000 will get you what I think we need to do, which is to have a comprehensive
27 assessment. COG did this all the time with demographic information and making some
28 projections. We can use our GIS system and a variety of services and a variety of
29 information. We can use census data from Park and Planning and make some
30 projections. I don't know whether \$75,000 is enough or not, that's why I seconded the
31 motion. But I don't particularly want to spend money on something that isn't going to get
32 us at the end of this year with the kind of information we need to know what the gaps
33 are. We already have had all of the discussion about senior housing. But we also heard
34 from [Sally Roman], when she worked for us, that there are no gaps in certain
35 categories of senior housing. So tying that together from a housing perspective, from a
36 health perspective, from a transportation, all of those elements, recreation. That's where
37 we need to focus not on the conversational kind of thing this. I think it can be done more
38 aggressively and be completed and I don't know whether 75 is enough to finish it. I think
39 to some extent Mr. Knapp's questions were we need to move on and not take so long to
40 keep massaging this activity. Whether \$50,000 more is necessarily or whether I'm
41 suggesting can be done within the \$75,000, I don't have a sense. And I was hoping
42 before we get finished Reconciliation that somebody could review that issue with at
43 least this Councilmember's sense of where she would like to see us go with this.
44



July 25, 2006

1 Councilmember Floreen,
2 If I may chime in we could ask the department to bring us back what elements on these
3 dollars would fund.

4
5 David Edgerly,
6 Yes, we have to do that in response to Mr. Knapp's request as well as Ms. Praisner's.

7
8 Councilmember Floreen,
9 If you could do it like really...

10
11 David Edgerly,
12 Yeah, today.

13
14 Council President Leventhal,
15 Those in favor of adding -- I will tell you the Committee spent a great deal of time talking
16 about this matter. Those in favor of adding an additional \$50,000 to the Reconciliation
17 List will signify by raising their hands. It is Mr. Andrews, Mrs. Praisner, and Ms. Floreen
18 and Mr. Denis. Those opposed are myself... On Public Health Services -- Ms. Praisner
19 has another question.

20
21 Councilmember Praisner,
22 I have another motion. I wanted to move \$32,000 to serve respite care. We still have
23 folks on the waiting list. I know it isn't the total need but that would get us 20 more
24 families would get served for the year with respite care. I'd like to make that motion.

25
26 Council President Leventhal,
27 I will just state the Committee added \$3.5 million to the HHS budget on the
28 Reconciliation List. Of course, we won't be able to fund all of these things. In looking at
29 Senior Services we made the judgment that home care and chore services were --
30 although it's not an easy choice to make -- that they were the most vital serving the
31 most needy and that we probably wouldn't be able to fund those. It's not out of lack of
32 love for our seniors that we did not fund every last possible addition that could have
33 been made. I know that Councilmembers are eager to show that we all love seniors,
34 and we all do. And this Committee added a number of items already to the
35 Reconciliation List that we won't be able to fund. Having said that, is there objection to
36 the motion made by Ms. Praisner and seconded by Ms. Floreen? Since there's no
37 objection we will add the respite services as proposed by Ms. Praisner. Did you have
38 something else, Ms. Praisner?

39
40 Councilmember Praisner,
41 No, I just wanted to comment. Having lived with a father with Parkinson's Disease from
42 the time I was 10 years old, respite care is not exclusively a senior issue. I think it's
43 important for us to note that.



July 25, 2006

1 Council President Leventhal,
2 We all supported it. We won't be able to pay for everything we'd like to do.

3
4 Essie McGuire,
5 Mr. Leventhal, I think we need five members here in order to do that.

6
7 Council President Leventhal,
8 Well, without objection, can we -- since there was no objection there was no need for a
9 recorded vote. Steve, do you support adding money? Should we add money? Spend
10 more. Silverman votes yes. Spend more.

11
12 Councilmember Silverman,
13 It's all about the kids. No, no. It's all about the seniors.

14
15 Council President Leventhal,
16 We are on seniors now.

17
18 Councilmember Silverman,
19 When it isn't about the kids it's about the seniors.

20
21 Council President Leventhal,
22 For Public Health Services the Committee agreed with the Executive's recommendation
23 of \$64.4 million, at 493.6 work years, with a few additions to the Reconciliation List. We
24 agreed with the Executive's suggestion of \$570,000 as an increase to the FY '06 base
25 for medical and dental services for children through Care for Kids, who are no longer
26 covered by state medical assistance. This is consistent with the special appropriation
27 passed a few months ago. We also are delighted that the County Executive has agreed
28 to double the funding for the Montgomery Cares Program, bringing it to a total of just
29 under \$10 million in FY '07. And the preliminary budget can be found here for those who
30 have questions about it. For the Minority Health Initiatives we provide -- the County
31 Executive proposed and the Committee agreed to provide increases for all three as
32 described on page six. For the Maternity Partnership Program we really need to have a
33 near-term discussion about this after budget. It's urgent that other providers participate
34 in this program and Holy Cross Hospital alone cannot bear the burden and will soon get
35 out of serving some of the moms who it has been -- expectant moms that it has been
36 serving. We have any emergency in the near-term facing the this with respect to
37 Maternity Partnership Program. The County Executive is proposing \$153,540 for two
38 new Health Inspectors to comply with mandated inspections. We are proposing that of
39 the nearly \$10 million in the Montgomery Cares Program, \$500,000 go towards
40 providing healthcare for homeless people as requested by the Montgomery County
41 Coalition For the Homeless. That's included in the funding for Montgomery Cares and
42 the Department has accommodated that in its plan. There were two grant proposals we
43 looked at as part of the Montgomery Care's Program. And we concurred with the
44 suggestion for \$65,000 for operating program expansion for MobileMed, and the



July 25, 2006

1 department says it can accommodate that amount in the Montgomery Cares Program.
2 An additional \$50,000 for a capital request was not placed on the Reconciliation List at
3 this time. We did add -- we have two proposals for dental services after Montgomery
4 Volunteer Dental Clinic closes in June. The first option is \$196,620 for dental care for
5 poor people, four days a week to 750 clients. The second option is \$292,580 for basic
6 dental care for five days a week to 750 clients. We propose to add to the Reconciliation
7 List an increase in stipends for health promoters within all three health initiatives totaling
8 \$110,000. We propose two increments of \$55,000 each. And the single addition to the
9 Reconciliation List for the Minority Health Initiatives we suggested was \$98,000 to
10 develop a strategic plan for the Asian-American Health Initiative. In the Behavioral
11 Health and Crisis Services service area the Committee concurred with the Executive's
12 recommendation of \$53.6 million and 262.8 work years. We generally approved the
13 County Executive's recommendations outlined on page eight. We added to the
14 Reconciliation List, \$310,000 for startup costs associated with a Sobering Center For
15 Public Inebriates. This funding level assumes we would actually begin operations of the
16 Sobering Center in January of 2007. We also made a correction. There were two Mental
17 Health Association items that fell out of the base budget that were supposed to be
18 included. The first we referred earlier was the \$10,000 for the Friendly Visitor Program.
19 This is the \$35,000 for the hotline. This was supposed to be in the budget and it was
20 just an error that it was not included, so we put it back in the budget. We are looking
21 forward to additional information about the Assertive Community Treatment Team and
22 the Mobile Crisis Team. Do we have that?

23
24 Essie McGuire,

25 We do; it's attached immediately following this on pages 10 and 11 of your packet as
26 requested by the Committee. What the Committee requested was an outline from the
27 Department of the costs necessary to expand both of those services. The dollars are
28 summarized for you here on page nine and the backup information is on pages 10 and
29 11.

30
31 Council President Leventhal,

32 Okay, of course, we would like to expand all programs if we could. There are no
33 motions or comments on this matter. That concludes that the Department of Health and
34 Human Services.

35
36 Councilmember Silverman,
37 [INAUDIBLE]

38
39 Council President Leventhal,

40 What? Mr. Silverman might want to spend more money. Hold on.

41
42 Councilmember Silverman,

43 No! I just want to clarify, we put this money in, didn't we? Didn't the Committee support
44 this?



July 25, 2006

1
2 Essie McGuire,
3 No, the Committee requested more information. We're bringing it back now. The
4 Committee did not discuss it.
5
6 Councilmember Silverman,
7 Oh, well, then!
8
9 Unidentified Speaker,
10 Now he wants to discuss it!
11
12 Council President Leventhal,
13 Here we go!
14
15 Councilmember Silverman,
16 Sure. Well, first of all, the Assertive Community Treatment, ACT, Team, if I understand
17 correctly, the net cost to the County is less -- just a shade under \$12,000.
18
19 Council President Leventhal,
20 Okay, if you want to move it...
21
22 Councilmember Silverman,
23 I was going to move that.
24
25 Council President Leventhal,
26 Okay, so Mr. Silverman moves the Assertive Community Treatment Team for an
27 increase for \$137,510. It has been moved and seconded. Is there objection? Hearing no
28 objection, it is added to the Reconciliation List. Is that it?
29
30 Councilmember Silverman,
31 No.
32
33 Council President Leventhal,
34 Go ahead.
35
36 Councilmember Silverman,
37 The second piece is the Mobile Crisis Team. For the life of me I have yet to understand
38 why we have 16-hour per day staffing for the Mobile Crisis Team. The time period,
39 which is basically the midnight to 8:00 shift, Essie, is not covered. Who are you going to
40 call? The people that are not, with all due respect...
41
42 Council President Leventhal,
43 Steve, is there a motion coming? Nobody's opposed. We've gotta get to the Schools
44 budget.



July 25, 2006

1
2 Councilmember Silverman,
3 Okay, I'm moving it. I'm moving the LAPSED .80.

4
5 Council President Leventhal,
6 So that would be an increase of \$199,770. Is there a second?

7
8 Councilmember Subin,
9 Yes.

10
11 Council President Leventhal,
12 Mr. Subin seconds it. Is there an objection to it? It's added to the Reconciliation List.
13 That concludes the budget for the Department of Health and Human Services. We now
14 turn to the pension plan improvements requested by Montgomery County Public
15 Schools. Chairman Subin.

16
17 Councilmember Subin,
18 Thank you, Mr. President. I think the school folks are on the fifth floor. Mr. Farber, has
19 anybody told them to come up? [MURMURING]

20
21 Council President Leventhal,
22 I'll be right back.

23
24 Councilmember Praisner,
25 Sure, we need to gather [INAUDIBLE].

26
27 [BACKGROUND NOISES]

28
29 [NO AUDIO]

30
31 [BACKGROUND NOISES]

32
33 Councilmember Silverman,
34 Marilyn, should we start?

35
36 Councilmember Praisner,
37 What? Yeah. I guess we could. Maybe by asking folks from the Board of Education and
38 Superintendent to join us at the table. Let me check and see if all Board members are
39 coming -- all Councilmembers are coming. Why don't you join us at the table? Mr.
40 Subin, if you want to begin with an overview I'm sure folks will arrive.

41
42 Councilmember Subin,
43 Thank you, Madam President. The issue before us is a request by MCPS for \$13.2
44 million to add to the pension system. This did come as the Mr. Farber noted late and



July 25, 2006

1 after the budget submission, but couldn't have come earlier. It was the result of actions
2 taken by the Legislature at the end of the session in April and was not signed by the
3 Governor for several weeks afterwards. The request is for \$13.2 million to add to the
4 Trust Fund. The Legislature made some changes to state law regarding the pensions.
5 Prior to this the pensions were set at 42% of salary, with an assumption of 30 years of
6 service to the system. There was then on top of that a 3% supplement that brought the
7 pension up to 45% assuming the 30 years of service. There was also multiplier set in
8 there 1.4% for every year of service. The supplement brought it up a little bit to the 45%.
9 That was for folks who were in the state system. The County then established a system
10 for the SCIU and Administrative personnel who were not in the system and set it at the
11 same rates of 42% with the assumption of a 3% supplemental. What the state did this
12 year is then change that to 54% plus 3% percent for those at the state level, which left
13 an inequity in the system for and those in the County system and not in the state
14 system. The required supplement was then set at 3%, which brought the state folks, the
15 teachers mainly, up to 57% and the County folks were left at 45%. The Committee
16 recognized three issues we had to deal with. One was an internal equity issue, one was
17 an external equity issue, and the other was and how to fund the Trust Fund. because
18 once the Board establishes the rates, those rates are set by law. The only question
19 before the Council at that point is do we or do we not fund the Board's request? Mr.
20 Farber put out an additional memorandum on May 9th, which set out a lot of the
21 numbers. There was no dispute at that point and so the Committee was able to go to
22 the issues we identified. Mr. Farber did send out a memo this morning that nobody in
23 the School System received until almost 3:00. But it's my belief that Mr. Gerling and Mr.
24 Bowers are prepared to deal with the issues that were in there. The internal equity issue
25 is \$5.1 million of the \$13.2 million request. The question there is simply do we leave
26 internally, within the county, two separate groups of individuals, and one under the state
27 system and one under the County system. The Committee voted 3-0 that we wanted to
28 see the internal equity established for this level that would maintain the status quo on
29 that issue from the prior levels. That would then bring the [MISSY] and [MCAST] folks
30 who were not under the state system up to the 57% also. Again, using the same
31 calculations, the 54% established by the state and 3% supplemental. To do that would
32 constitute a \$5.1 million expenditure of the \$13.2. The external equity question came as
33 a result of what really triggered the state's actions, which was how do we bring the level
34 of pension for those in the county, theirs was from Maryland, up and get that to a higher
35 level. The average across the nation is 60%. How they get there with core numbers and
36 supplements and other figures will vary from state to state and sometimes jurisdiction to
37 jurisdiction. So the calculations will vary widely. And, frankly, the Committee was not
38 interested in going through an assortment of 50 different formulas, but everybody did
39 agree the 60% of pension at retirement as an average was correct. The cost for that
40 external equity jump is \$8.1 million. That would again entail taking in the state pension
41 system and those in the county who are not under the state system and maintain the
42 internal equity for everybody. We did have been extended discussion on that and the
43 bottom line really was an issue of recruitment and retention of individuals into this
44 system. The fact that for various reasons we lose folks after the third year, which we



July 25, 2006

1 fixed with a lot of training programs. And then somewhere along the line between six
2 and ten, we start to lose individuals again because of the issues regarding pensions and
3 folks who start to have families, who start to look ahead at their future, who then leave
4 after we've trained them for so long. So from a recruitment and retention standpoint of f
5 the Committee felt it was prudent to go to the 60% level across the Board. Essentially
6 we're at the 54% plus 6%. The way you get there is with the multiplier, which is another
7 set of numbers. From 1.9% a year for 30 years to 2% a year for 30 years. So each tenth
8 of a percent is a 3% difference in the pension. The third question that we faced was do
9 we fund this in FY '07 or FY '08? The real issue for the Committee was the status of the
10 Trust Fund and do we or do we not let the Trust Fund level sink lower than it is? The
11 discussion of Trust Fund levels is here and it has come up in several other areas of the
12 County budget and what's happening with GASB and other accounting standards. It
13 was the Committee's sense that we would be far better off funding this in '07 so that the
14 Trust Fund did not sink any lower, which would then increase our outyear expenditures.
15 That was simply it. On the three issues of the internal equity and \$5.1 million the
16 Committee voted 3-0 to reach internal equity and appropriate the \$5.1 million. On the
17 equity for external issues and an \$8.1 million request for community voted 3-0 to
18 appropriate those monies for \$13.2 million. And by a vote of 3-0 to do it in Fiscal '07,
19 rather than wait until Fiscal '08, when that number would be even higher, so that we
20 could bring the Trust Fund back up to the levels that it needed to be. Again, Mr. Farber
21 has some additional information that came out today that was not available to the
22 Committee prior to this. And I believe he might have some statement on that and I do
23 believe Mr. Gerling and Mr. Bowers are prepared to address that.

24
25 Council President Leventhal,
26 Mr. Andrews?

27
28 Councilmember Andrews,
29 Thank you, Mr. President. Actually, I'd like to hear some comments from Mr. Farber.

30
31 Council President Leventhal,
32 Mr. Farber.

33
34 Stephen Farber,
35 Well, as Mr. Subin said, the Committee did meet last Wednesday, May 10th. This
36 proposal, of course, as Mr. Subin indicated, necessarily came late in the process
37 because the Legislature didn't finish up on it until last month. I did raise in the
38 Committee packet a number of issues, but they were initial because I simply did not
39 have in hand the information required to come to a conclusion in my own mind. I think
40 it's very important with these pension issues, which have such large consequences for
41 all agencies and large fiscal consequences overall, to make sure we do understand all
42 of the puts and takes, all of the aspects. The addendum I put out at midday today was
43 based on material I received over the weekend from [Kiron], an actuarial consulting firm
44 that worked with the Joint Committee on Pensions in the state and also from the



July 25, 2006

1 National Education Association. And it basically reports from 2002 that look at various
2 aspects of pensions. The multiplier that Mr. Subin referred to is very important, but there
3 are five other aspects mentioned in the [Kiron] report, things like the normal retirement
4 age, employee contribution rate, average final salary, early retirement provisions, and
5 the COLA. The bottom line of the [Kiron] study is that the Maryland program, as
6 opposed to Pennsylvania or West Virginia, state's as mentioned that the Committee on
7 May 10th, comes out looking better than would otherwise be the case when you take
8 into account, for example, the fact that in Maryland you can retire with 30 years of
9 service, regardless of what your age is. Whereas in other states there is a higher age
10 requirement so that's an advantage to Maryland. The retirement provisions are better,
11 and in Maryland there is an automatic COLA compounded CPI with a 3% annual cap,
12 Whereas for example in Pennsylvania and West Virginia the COLA is ad hoc, it's not
13 guaranteed. It's this complex of issues you have to look at when you are considering
14 pensions. The other concept I mentioned in this addendum packet is the concept of total
15 compensation, which the Management and Fiscal Policy Committee has emphasized as
16 being important for many years. The idea on total compensation is what you have to
17 look at is not only pensions, for example, but also salaries and other benefits such as
18 health insurance, annual and sick leave and so forth. In health insurance MCPS is in
19 outstanding shape, because 91% of the premium on average is paid for by MCPS. In
20 sick leave they have an outstanding provision, something that we in the County
21 government don't have and I don't think very many others have, and that's when
22 someone retires they are able to cash out their accrued sick leave, 25% or 30% if you're
23 a 30-year employee. And what that mean's is that for some people you are able to walk
24 away with a check that may be worth as much as eight or nine months' salary before
25 you start receiving your pension. That's an outstanding benefit, one that we don't have
26 in the county don't have and probably most others don't have, although we don't have
27 data on that. There's also the MCPS Staff Development Program, which is outstanding,
28 it's a world-class program that all of us are very proud of. Doctor Weast also made a
29 comparison, as I note in this addendum, with Fairfax County. There is no question that
30 the Fairfax benefit is a better one, in so far as the multiplier is concerned, but I think it's
31 important to look at total compensation. For example in the new Fairfax plan it appears -
32 - and again, I don't have complete data -- that accrued sick leave can no longer be
33 cashed out. So that's an important difference. And it seems to me if you are comparing
34 the Montgomery and Fairfax plans you have to look at how they treat health insurance.
35 My understanding is in Fairfax they pay 85% of your premium for the individual
36 employee, but only 75 percent for a family, compared to 91% paid by MCPS. That's
37 worth \$600-700 a year, depending on the plan you have. These are the kinds of issues
38 that I think it's important to try to resolve. And in my own mind, I have not been able to
39 come analytically to a conclusion as to whether the proposal from MCPS, whether I
40 would endorse it. The reason is I don't have the requisite information and that's no one's
41 fault. It's simply the fact that this appraisal came so late as a result of a Legislature's
42 late action. It does seem to me it's quite useful to have the information in hand when the
43 fiscal consequences, not only for MCPS, but for all agencies are so important.

44



July 25, 2006

1 Council President Leventhal,
2 Mr. Andrews?

3
4 Councilmember Andrews,

5 Thank you, Mr. President. I appreciate the way in which the Education Committee and
6 Mr. Subin described the issue in terms of internal equity, external equity and the issue
7 of when because that's a reasonable way to look at it. There is a strong argument on
8 the internal equity in terms of what is already available in terms of information. There's
9 no question that under the state changes, some employees of MCPS have had a
10 pension improved and others have not, because they're not in the state system, they
11 are in the MCPS system. So I think there is a strong argument for bringing those folks
12 up to the same level of improvement that teachers covered in the state system are in. In
13 terms of external equity argument, I agree with Mr. Farber and that it's a complicated
14 issue and one cannot simply look at the multiplier and come to a judgment based solely
15 on that because there are many other factors that looking into determining one's total
16 compensation, such as healthcare coverage, cash-out at retirement, internal
17 opportunities, training opportunities that some systems have and others don't, and I say
18 Montgomery County has very strong benefits in that area. What Dr Weast has proposed
19 is a doubling of the County contribution. The state increased their contribution by 29%
20 and so I do wonder. I'm not persuaded that a doubling of the County supplement is
21 necessary to achieving the goal of the proposal. It is also a very consequential proposal,
22 in terms of costs and precedent. The cost in the first year is estimated to be \$8.1 million.
23 It's a substantial expenditure that will be a permanent obligation, it's not a onetime
24 expenditure. and I think that's something the Council needs to think long and hard about
25 or at least gather as much information as possible to determine. My preference would
26 be that we would defer this issue until after the budget, because it has been very difficult
27 to give in the attention it deserves during this budget, because it came over late, no
28 one's fault as was indicated, the General Assembly just made their decision a month
29 ago. but the Council could take this up later and make any decision retroactive to July
30 1st in order to achieve the same effect of what it would take effect. That would be better
31 than taking it up in this budget at this late hour. If the Council is determined to take it up
32 at this time, what I think would make sense is to recognize that internal equity requires
33 caught \$5.1 million improvement to those employees not covered under the state
34 pension reform. I'd recommend that the County match what the state provided in terms
35 of a percentage increase. The state provided a 29% improvement in the pension benefit
36 and I think, given the information we have, I think that would be the most prudent
37 approach, because I do agree the County should improve its supplement and that the
38 state needed to improve theirs. But I don't think we have enough information to go as far
39 as Dr. Weast, which is to double, to increase by 100% the County supplement. Because
40 I do think that there are many factors that need to be considered in comparing our
41 system to others, we don't have all that information yet. It's a big jump to take, to go to
42 100% improvement without that information. It's something we could come back to and I
43 might support that later on after I have more information, but I'm not convinced we have
44 enough information to make that judgment yet. I do you think that what ever judgment



July 25, 2006

1 we make here will have ramifications for other employee organizations in terms of what
2 we can expect to receive in terms of requests there. And that's something worth
3 considering, as well. I think it would be beneficial to have more public input on this. But I
4 recognize there may a desire to deal with this issue now. And so, in the interest of
5 putting out a proposal that I think would address the internal equity issue and I think go
6 as far as is prudent at this point in addressing the external equity issue I'd move that we
7 add \$7.45 million to the Reconciliation List for consideration, since I think there is a
8 desire to address this in this budget although, again, I'd prefer to address this after, but I
9 think we should have that option, which would fund the internal equity improvement for
10 those not covered by improvements in the state pension plan and provide a 29%
11 improvement to those who are -- 29% improvement to the current County supplement,
12 which would match the state's improvement to their pension plan. I think that's a
13 reasonable, prudent course of action and we should come back with more additional
14 information that we will have as Mr. Farber continues his good work. He did an excellent
15 job pulling information together quickly that's helpful, because I do want to have an
16 overall compensation system that achieves the goal of allowing the County to compete
17 very effectively in attracting and retaining excellent employees, which I think we have. I
18 think that's the goal. I don't think two of the goals Dr. Weast outlined are what should be
19 the driving goals. Dr. Weast, in his memo, argued that going to the 2% supplement
20 would take us back to where we were before 1980, and make it easier for personnel to
21 calculate what their pension would be. And I just don't think that those are comparing
22 arguments for that change. What needs to drive the train is what achieves the
23 competitiveness we need with other counties. And I think that matching what the state
24 has done would be a prudent first step. And then we should deliberate on the remainder
25 of Dr. Weast's approval after other jurisdictions, which Mr. Farber is still gathering.
26 That's what I believe would be a good course of action. So I agree with a portion of the
27 Education Committee's recommendation and would modify the second one in that way.

28
29 Council President Leventhal,

30 Okay, let me just -- I have a question for Mr. Farber. I had seen -- and we have a lot of
31 paper here. There was an earlier memo from you, Mr. Farber, that outlined the
32 decisions before the Education Committee. That is the first decision was should we
33 provide parity to those employees who are not covered under the state's action? That
34 was decision one; and the second question was should be increase the additional
35 supplement on the part of the County to match what the state had done? And the third
36 piece was should we go to a multiplier of two. That there were three different decisions
37 and the Education's Committee had said we should do all three, but do you have those
38 three decisions laid out? Where is that in the packet? Because I remember a one-pager
39 from you that laid out those three points.

40
41 Stephen Farber,

42 I believe they are all laid out in the memo that I think is part of your packet. Remember,
43 this was deferred from last Thursday.



July 25, 2006

1 Council President Leventhal,
2 And what page is that on?

3
4 Councilmember Perez,
5 Can you say which packet? I've got four of them here.

6
7 Council President Leventhal,
8 Yeah, we have a lot of paper here... a lot of paper.

9
10 Councilmember Silverman,
11 3.1, 3.1. Yeah, it's 3.1 for May 11.

12
13 Councilmember Praisner,
14 They're all 3.1.

15
16 Council President Leventhal,
17 Is this the memorandum to the Education Committee of May 10th?

18
19 Stephen Farber,
20 That's correct. Yes.

21
22 Councilmember Subin,
23 It's on page two.

24
25 Council President Leventhal,
26 Page two?

27
28 Councilmember Subin,
29 The multiplier decision is ...

30
31 Council President Leventhal,
32 Mr. Chairman, just a minute, I don't have the piece of paper I'm looking for. It looks like
33 Ms. Floreen may be handing it to me. If I could just -- Mr. Chairman, I'll get you in just a
34 minute. Okay, here we go, this is the one I'm looking for. Addendum -- this is for Agenda
35 Item 3.1, and I'm reading from Mr. Farber's memo. Thank you, Ms. Floreen, very much.

36
37 Stephen Farber,
38 Yes, these are the Committee recommendations.

39
40 Council President Leventhal,
41 The Committee unanimously recommended that, consistent with the Board's action, the
42 Council, bullet, support extending the 1.9 multiplier for calculating the pension benefit, et
43 cetera. First-year cost of \$5.1 million, Bullet, support increasing the current supplement
44 by 0.1% creating a 2.0% multiplier. And, bullet, support doing this in FY '07. So if my



July 25, 2006

1 understanding is that this is what the Committee acted to do, then each of these three
2 items would have to go on the Reconciliation List.

3
4 Stephen Farber,
5 Yes. That's correct.

6
7 Council President Leventhal,
8 That these were the Committee's recommendations and each of them would end up on
9 the Reconciliation List?

10
11 Stephen Farber,
12 Yes.

13
14 Councilmember Knapp,
15 What's the total amount on the Reconciliation List?

16
17 Council President Leventhal,
18 Well, it would be three different items on the Reconciliation List...

19
20 Councilmember Subin,
21 No.

22
23 Council President Leventhal,
24 ...which if you did them all in '07 would be \$13.2 million in '07,
25 Stephen Farber,
26 That's correct.

27
28 Council President Leventhal,
29 But each of these bullets would appear on the Reconciliation List if I'm correctly
30 understanding the staff's description of what the Committee did.

31
32 Councilmember Perez,
33 Choose "A," "B," or "C." Take your choice.

34
35 Council President Leventhal,
36 These three different items would go on as three items on the Reconciliation List If I'm
37 understanding correctly what the Committee did, based on the staff's report of what the
38 Committee did.

39
40 Councilmember Subin,
41 No, the Committee is recommending \$13.2 million. It was broken out in terms of the
42 three elements for explanation purposes and simplicity, so that everybody could
43 understand easier how we got to the 13.2. Those are the two equity discussions. Third
44 was a separate item. Do you do it in '07 or '08. The Committee's recommendation was



July 25, 2006

1 for the \$13.2 million. If I'm understanding Mr. Andrews' motion, it looks like he might
2 have broken it out into two separate pieces, but that could be put into one.

3
4 Council President Leventhal,

5 If I understand Mr. Andrews' point, I thought that the staff's description of what the
6 Education Committee did was -- just simply from reading the memo, the staff's report on
7 what the Committee did -- that the Committee recommended three different points and
8 by including those three points on the Reconciliation List that would achieve the effect
9 Mr. Andrews was looking for, that is simply giving the Council options as to which of
10 these steps we may ultimately be able to afford to take, which we won't know for a
11 couple days. I think it's desirable to incorporate the staff's report of the Education
12 Committee's actions on the Reconciliation List and I believe that would achieve what Mr.
13 Andrews is stating. And since this is the staff's record of what happened in the
14 Committee it would be my expectation that that would end up on the Reconciliation List.

15
16 Councilmember Subin,

17 As Chair of the Committee, unless my colleagues on the Committee would like to weigh
18 in otherwise, the intent was the \$13.2 million. Again, this was broken out to say how we
19 got there, it wasn't the three separate actions that were to be considered separately.

20
21 Council President Leventhal,

22 The issues are fairly clear for those paying attention. Mr. Knapp.

23
24 Councilmember Knapp,

25 Well, I just -- quickly, to follow up to Mr. Andrews's comments, this is a big chunk of
26 change, I don't disagree with that. I supported this in Committee, though. As we look at
27 the issues we're facing from a personnel perspective, we have been very fortunate
28 because we have been successful by many measures, we had lots of discussions as to
29 how you quantify all of our School System's success, or don't, over the course of the
30 last few months and clearly there are things we need to continue to improve upon. But
31 the one of the things that strikes me is we have a tendency to say we're better than,
32 we're doing as well, or we're exceeding other counties in Maryland. And the reality we're
33 confronting is that's not who we're competing against. We are clearly working at a
34 national scale and we want to continue to compete at that level. Whether you agree with
35 the "Newsweek" criteria as to the best way to rank schools I don't know, there's lots of
36 folks spending lots of time getting lots of degrees that can tell that better than I can, but
37 it certainly is a measure that shows that we're meeting that measure of success
38 because we're operating at that level. I was watching the "ABC Evening News" and
39 there was a discussion -- a segment that talked about how the number of current
40 college graduates are constantly making choices even though their field of choice is
41 Education, to not go into that field because they can't afford to actually assume the debt
42 they're taking on in college and actually work in the education profession. It kind of took
43 me aback that that's the reality in which we're working. Are you going to pay teachers a
44 lot more up front? Probably you're not going to be able to. You're not going to be able to



July 25, 2006

1 pay that much more on the front end. And so when you look at the overall compensation
2 package this is one of the things we have to put into the mix. I never thought that way in
3 a job necessarily that I'm looking on graduation, as to but I do when I retire but when
4 you look at the totality this is what people want to do. I think that's one of the benefits
5 that you're looking to is to say "Here is the complete package. Come work for us, come
6 work with us, we have the package that's competitive on the front end, but if you take it
7 in totality over the long haul, you're going to be okay, you will get there from here." And
8 so I think when you look, not just that teachers, but all of our school employees, we're
9 trying to make the same case. The other thing I'm struck by, we have lots of discussions
10 over the last year so as to the adequacy or inadequacy of facilities, both school and
11 County, I think our facilities are all right. I think we need to continue to make
12 improvements upon them, but in spite of the issues we may have with facilities, we
13 continue to be moving forward as far as how you measure the improvements in
14 educating our children. Okay, so if the facilities are questionable or marginal, then
15 clearly that's not the case. So what is the thing that's accelerating us and allowing us to
16 move forward in rapid fashion and continue to make gains? It's our people, it's our
17 people who are keeping the facilities we have operational, it's our people who are in the
18 classroom and it's a whole team that's working to make sure this comes together. I
19 continue to be struck by -- we've had a lot of discussions about Seven Locks and the
20 size of that school. I have a very different perspective as it relates to the size of the
21 school where my children go, which is one of the largest schools, if not the largest
22 elementary school in the state of Maryland. And I'd argue, probably some would
23 disagree with me, but I would argue that the overall quality of education you are
24 receiving in either of those schools, be it 265 or 1,200, is commensurate. And that's
25 really a tribute to the people who are doing the job. Mr. Farber has put together a good
26 packet, Mr. Andrews raises questions and they're good, by the same token I think we
27 have to look at these pieces in totality and say now is our time to do it because we have
28 to continue to put a package together that keeps us in the forefront of educating our
29 children. I think that has to be our overriding perspective and I appreciate everyone's
30 consideration, but that's where I come down, and will support the Committee's
31 recommendation.

32
33 Council President Leventhal,

34 This is the point at which I remind my colleagues we're not paid by the word. It's 5:20.
35 The issues are clearly defined. My understanding was the Committee had
36 recommended the three steps as described in Mr. Farber's memo. The Chairman wants
37 us only to adopt one big dollar amount and as the Chairman describes, it's the
38 recommendation of the Committee. I will ask colleagues, there are a lot of lights on, we
39 all love our School System, we all love our School System employees. Could we take
40 for granted that we think our employees are terrific and could we state whether we
41 support the Education Committee's motion so we can expedite the business before the
42 County Council? Mr. Perez?

43
44 Councilmember Perez,



July 25, 2006

1 I just wanted to get clarification, if you did a pie chart -- this is for any of you -- of the
2 universe of people that stand to benefit from this, what functions are they performing in
3 the School System?

4
5 Councilmember Subin,

6 The biggest chunk, Mr. Perez, of the improvement piece of this is clearly going to the
7 county folks, to the SCIU and CASP people.

8
9 Councilmember Perez,

10 There is a fairly substantial percentage of these employees who are not -- in terms of
11 your wage banding, are at the lower end of the wage band. Is that a fair statement?

12
13 Larry Bowers,

14 It is, and I think almost all of those who are just in the core plan are your building service
15 workers, your bus drivers, your maintenance employees. And a number of our
16 employees are 10-month employees, and a lot of them don't even work eight hours a
17 day. So, for a number of these employees their annual salary is between 25 and
18 \$30,000 a year. A lot of our comparisons have been with teachers, but you also have to
19 look at them, because for them the retirement benefit is a lot smaller.

20
21 Councilmember Perez,

22 The face of the issue was important for me as we work through this, in the spirit of
23 progressivity...

24
25 Charles Haughey,
26 Mr. Perez?

27
28 Council President Leventhal,
29 Mr. Haughey.

30
31 Charles Haughey,

32 We need to keep in mind what we're talking about is funding the Trust Fund that pays
33 the pensions that these folks will be able to draw on over time, and this is not a question
34 of allocating money to be paid out. It's a question of keeping the Trust Fund...

35
36 Councilmember Perez,

37 Fair enough, that's a good point. That's all I have.

38
39 Council President Leventhal,
40 Ms. Praisner.

41
42 Councilmember Praisner,

43 I appreciate your comment, Mr. Haughey, about the Trust Fund. Part of the problem we
44 have had that was highlighted by the bond rating agencies as we just went, was the fact



July 25, 2006

1 that the County's Retirement Fund has gone from 97 -- 95 -- 99% funded to a 70-
2 something, 75% funded. I appreciate it's a Trust Fund. I would have supported Mr.
3 Leventhal's interpretation of how the items would appear on the Reconciliation List for a
4 very personal reason. I have looked at this issue all weekend and have concluded that
5 whether it may or may not be the letter of the law, from the spirit of the law perspective,
6 I need to recuse myself based on my personal family benefits. To the extent that you
7 are continuing exactly what the state does I think I could make an argument that that
8 context is one that has been imposed to some extent. To the extent that we're
9 increasing benefits, I believe I need on that piece -- or I feel more comfortable on that
10 piece recusing myself. And it was in that context that having the three elements
11 separate would have allowed me to go through the Reconciliation List process in a
12 comfortable basis. I do want to make -- so, to the extent it's one item I will recuse myself
13 from the whole item. I do want to make some comments, though, as Chair of the MFP
14 Committee and someone who has gone to the bond rating agencies every year since
15 1991. I have never seen the bond rating agencies make comments about our funding or
16 employee benefits the way they have this year. And given the fact that we have not
17 funded the GASB requirement in any way and we find ourselves declining in the
18 percentage of funding, as Mr. Haughey says, I think for all of us, collectively, there are
19 significant challenges ahead. And I hope that we can face them very aggressively in the
20 coming year, collectively with the employees. And I'd add from a healthcare cost
21 perspective, it's unfortunate that the School System has chosen not to participate with
22 us on initiatives on prescription drugs that would have allowed us to decrease costs, in
23 my view, maybe not as much as some initially may have been thought. And to the
24 extent we reduce or do or do not move even more aggressively on healthcare costs and
25 other issues it's part of total compensation and there are, I think, land mines ahead. If
26 it's not going to be individually placed on the Reconciliation List as three separate items
27 for which I could recuse myself for a piece, then I believe I'd feel more comfortable
28 recusing myself from the entire one.

29
30 Charles Haughey,

31 And, President Leventhal, may I follow that comment by saying when the Board
32 discussed this issue -- because I too have a marginal involvement in this through my
33 wife's employment -- I recused myself from that discussion and am here representing
34 the Board. But if you prefer Vice President Cox, who presided over that discussion,
35 could take my place at this table.

36
37 Council President Leventhal,

38 We are always happy to see both of you and please remain seated. We're glad you're
39 both here. Mr. Silverman.

40
41 Councilmember Silverman,

42 Thank you, Mr. President. I just have a couple questions. It was my understanding that
43 the net effect of the Committee recommendation, which is -- the Committee's
44 recommendation is \$13.2 million, but the net effect is not \$13.2 million, is that correct?



July 25, 2006

1
2 Councilmember Subin,
3 Well, the net effect in year one is \$10.2 ...

4
5 Councilmember Silverman,
6 That's what I'm asking.

7
8 Councilmember Subin,
9 ...because there's a \$3 million offset, but in year two and thereafter...

10
11 Councilmember Silverman,
12 Right, I understand that. But in terms of what is going to be shown on the Reconciliation
13 List, it will be shown with an offset. Is that correct, Mr. Farber?

14
15 Stephen Farber,
16 Well, no. As an expenditure it will show as \$13.2. There are other puts and takes that
17 Mr. Subin will be describing.

18
19 Council President Leventhal,
20 I think \$3 million in offsetting savings that will be shown elsewhere.

21
22 Stephen Farber,
23 Right, and then there are some other additions that MCPS wants, as well. All of those
24 will be shown as individual items.

25
26 Councilmember Subin,
27 I was going to cover that in the Operating Budget piece, but you are absolutely correct.
28 For year one if the Board request for the \$13.2 million passes, the Executive and the
29 Board have a \$3 million in FY '07 savings offset of \$3 million.

30
31 Councilmember Silverman,
32 Okay, the second thing was I was listening very carefully to what Mr. Andrews was
33 saying, but I couldn't figure out if there was a motion there.

34
35 Councilmember Andrews,
36 Yes, I would move to put that amount on the Reconciliation List. It's a total of 7.45 but I
37 would break it out with the 5.1 and the 2.35. The \$5.1 million is to achieve the internal
38 equity by bringing those not covered in state pension plan up to the same benefit and
39 \$2.35 million would be 29% increase in the County contribution of the supplement,
40 matching the state's increase for a total of 7.45 if you put them together, though I do
41 think that would be useful to have on there. That's what I think would be the prudent
42 thing to do. Let me that add if the Council is determined to put on the full amount that
43 will be what's on the Reconciliation List and we will see. I think that starting with



July 25, 2006

1 addressing the internal equity issue and matching the state contribution is a prudent first
2 step.

3
4 Councilmember Subin,

5 A couple quick points on that. Again, the System's obligations this year will be the \$13.2
6 million to the Trust Fund no matter what we do. The other is, as Mr. Farber said, there
7 are some puts and takes here. Just one significant point is in Fairfax County the
8 employees contribute 4% and get 72% pension. Here, what is being suggested is 5.5%
9 contribution to get 60%. They are contributing relatively heavier amounts to get less. So
10 there are offsets here in terms of the employees having to put in significant amounts.
11 Also, on the sick leave issue, that's a policy issue. You allow people to cash out on sick
12 leave so that they don't take it. If they are taking their sick leave because you either use
13 it or lose it, then they're using it and we have higher costs to pay substitutes to come in.
14 I think looking at what the policies are for individuals currently employed as to what
15 happens to folks when they retire, those are two separable issues, but again to get 25%
16 back cash in is saving us a lot of money over those 30 years.

17
18 Council President Leventhal,
19 Have you concluded, Mr. Subin?

20
21 Councilmember Subin,
22 Yes.

23
24 Council President Leventhal,
25 Ms. Floreen.

26
27 Councilmember Floreen,
28 Thank you, Mr. President. I had some follow-up questions with respect to Mr.
29 Silverman's question as to the dollar amount that we're looking at here. What the
30 Committee is recommending is \$13.0 million of funding in '07 for the first year of cost for
31 the package that's being presented. The question of the \$3 million in the School System
32 indicated they have to be able to and underwrite a bit of that, taking it down to a \$10
33 million cost. Is that based on the Superintendent's budget that the Committee has
34 recommended?

35
36 Larry Bowers,
37 That's based on identifying additional savings in the current year Operating Budget.

38
39 Councilmember Floreen,
40 In '06?

41
42 Larry Bowers,
43 '06 money, yes.



July 25, 2006

Councilmember Floreen,

So that would not be affected by the Committee recommendations that we're going to take up next. So it's indeed -- it would be interpreted as a subtraction for the Committee recommendation; the \$3 million?

Larry Bowers,
Correct.

Councilmember Subin,

I understand that Mr. Perez is going to have a question. An explanation is a total savings of \$6 million in FY '06: \$3 million for this and \$3 million as a part of the almost \$14 million reversion to the state in the CIP. So it's really a total of six, but only the three affects this.

Councilmember Floreen,

Is it possible -- that's the Committee's recommendation, the 13. Are you including \$3 million credit, as it were, from '06 in there?

Councilmember Subin,

Yes, when we get to the Operating Budget we're recommending \$3 million be taken as an offset to this. So Mr. Silverman was correct, that the net of this is 10.2.

Councilmember Floreen,

Okay. Thank you. I thought it was important to get that clarified.

Council President Leventhal,

Okay. Well, we appear to be near approval of the Committee recommendation. There are the things I regret about the timing of this as the staff has described and as Councilmembers have described, there is not much we can do about the timing of the Legislative Session. There never was a question as to whether Montgomery County would continue its commitment to parity for all School System employees. We will. And I don't think there is any question as to whether we would comply with state law regarding the supplement for teachers and other covered employees. We will. There had been some question as to whether we would provide a set-aside in FY '07 that we don't need to provide and that the state is not providing in '07. But I also appreciate if we have an obligation, which we do, it's prudent to set aside funds although we're not doing so for other obligations that we also have. I think it also bears some discussion as to whether going from 1.9 to 2.0 on the multiplier is it a decision that ought to be made in a hurry at the last minute without the benefit of public hearings or any other real evaluation, but the sense of where this is going is clear. Mr. Andrews's motion did not receive a second. The staff's discussion of what the Committee agreed to the Chairman has presented in a single part and not broken out a separate decisions. So it does not appear that this matter will receive any further consideration than it has received to date. And I'm looking right at Marv Weinman, who warned us that this might occur. I'm one who believes that



July 25, 2006

1 within reasonable time constraints we benefit from sunshine and more public input. We
2 are not getting a lot here. Having said that, I don't hear any objection to the Committee's
3 recommendation. Is there an objection? Hearing none, the Committee's
4 recommendation is agreed to.

5
6 Councilmember Praisner,
7 With my recusal.

8
9 Council President Leventhal,
10 With the point noted that Ms. Praisner is not voting on the matter of the additional point
11 on the multiplier. We now turn to the Schools' Operating Budget. Chairman Subin, I
12 believe, is accommodating a question from Mr. Perez.

13
14 Councilmember Perez,
15 Thank you, very much. I apologize. I have to leave in a few minutes. It's nice to look
16 through this and have us all on the same page again. There's just a remarkable number
17 of critically important initiatives, so I wanted to take a moment to thank the Board of
18 Education for their hard work and the Superintendent for his hard work in this. I look
19 forward to supporting this. During the consideration of the Capital Budget I prepared you
20 for the question I'm about to ask, which was I spent a lot of time in a number of Title
21 One elementary schools that have pretty high [FARMS] rates and one thing that has
22 occurred recently that has been a source of concern for me is that Parent Resource
23 Officers -- we used to have our own for instance at Rolling Terrace -- now we share that
24 with another school. I think the need has gone up and I don't think there's any
25 disagreement about that fact. And so I'm trying to get a better handle on what the
26 current thinking is of the Board and Superintendent on Parent Resource Officers,
27 because, frankly, I know that one at Rolling Terrace, in particular, very well. He's, like
28 so many, an unbelievable employee and the need is only increasing there and he's
29 there two and a half days a week. And that is really -- obviously, the two most important
30 people in our children's success are our parents and our teachers and I'm a little bit
31 concerned that we're not able to do the parent part as effectively anymore. So I wonder
32 if you could help me understand why it was cut in half?

33
34 Larry Bowers,
35 We certainly have had a lot of discussion about Parent Coordinators, Parent Support
36 Specialists, other kinds of positions for individual schools to have to help deal with a
37 variety of issues that you are very well aware of at Rolling Terrace. Our approach -- we
38 have added some additional positions this year, but our approach basically has been to,
39 in fact, allocate those positions centrally, primarily out of our ESOL Office. They have a
40 number of Parent Coordinators. They assign them to schools based on the numbers of
41 students in those schools. So there are a number of positions that are half-time in
42 different schools. When schools don't have as many students and families who need
43 that service it will be even less; they share of these positions. And it's just an approach
44 that we are taking this year. We've indicated to the Board, as we presented to them, that



July 25, 2006

1 this year's approach is a little bit different than last year's. As getting feedback from
2 schools, feedback from parents. So it really is a way to try to do it centrally, as opposed
3 to giving each school their own allocation and seeing the extent to which we can not
4 have to budget as many positions. So it was an attempt to us to look to provide the
5 services without adding more positions, and whether we can control it more centrally.
6 So the effect has been -- or the reason for the situation at Rolling Terrace is taking a
7 different look at the model, seeing how we can spread [relief], 'cause there's a lot of
8 other schools that need the support also. And our attempt has been trying to get to
9 those other schools that have needs and need that kind of service so we can allocate
10 some support to them.

11
12 Councilmember Perez,
13 Have you thought adding more officers -- Parent Resource -- I'm not sure what the term
14 of art is, Parent Resource Personnel?

15
16 Larry Bowers,
17 Right, we added four more in this year's budget to provide some additional support, and
18 again, we are going to continue to monitor and look at that. That's an initiative that the
19 Board has had. The question is how many do we add, how many can we add in any one
20 year to provide additional support?

21
22 Dr. Jerry Weast,
23 I agree with you, I'd like to have more. But I'd like to have more speech therapists. I'd
24 like more special ed. I'd like smaller class sizes at some of our secondary schools.
25 That's what we really got into. It's a total position across the whole system of looking at
26 everything. And we had an unprecedented unity in bringing all three unions in, not at the
27 end of the budget process, but at the beginning of the budget process. And looking at all
28 of our allocations and all budgets, kind of from a build it up from zero. And what we got
29 at the end is we had a higher need in lots of places. So it was a matter of how do you
30 reconcile that with what we're going after in budget numbers. And so these positions
31 that I like and you like -- I believe we could make the same argument for all of the
32 positions that we were trying to bring forward So it became a how do you even it all out?
33 And this is the approach that was taken because we're putting in -- we wanted to put in
34 quite a bit of money extra for Special Education this year, and this has \$28 million extra
35 in Special Education, counting its personnel. And we thought we had that pretty well
36 secured until -- you'll have before you a budget amendment where the federal
37 government came in at about \$1.5 million less. So we're going to have to make that up.
38 So it becomes competing interest, Mr. Perez.

39
40 Councilmember Perez,
41 I appreciate that and I say this in the spirit of collaboration and collegiality.

42
43 Dr. Jerry Weast,
44 Understand.



July 25, 2006

Councilmember Perez,

And I appreciate that we're always making these judgments. I really believe that the area -- and I say "we" -- you and I and everyone in this room --

Dr. Jerry Weast,

We are, we are.

Councilmember Perez,

I believe the area where we haven't really cracked the nut yet is in the area of really coming up with effective strategies for meaningful, sustained parental involvement. We've got some good models that are -- there is some stuff going on on Maple Avenue in Takoma Park that's very promising, thanks to some support from the School System. Again, I say this in the utmost spirit of collaboration, but I'm just -- I watch this guy who -- I know the need has gone up because I've seen things that have happened. I've watched my daughter's classmate die one night -- I didn't watch it! I dealt with it. I just see the multiplication of the issues. And I don't mean to single out Rolling Terrace, I feel like I should recuse myself. like Ms. Praisner, but I see it at New Hampshire Estates, I see it at Broad Acres, I see it at Highland and I just know that this guy has more than enough work to spend his entire day at Highland as opposed to two days a week. And I We all agree with that. And I'd like to get some more insights on how we can, within the constraints of our operation, get back to the levels where we were, say two or three years ago. I think we're in danger of losing some parents that we want to engage.

Dr. Jerry Weast,

I totally understand and appreciate your collegiality and agree. I would like to complete what we promised the counselors five years ago. We haven't been able to complete that yet. That's how many new additional counseling positions we need to add. And I'd like to complete what we promised the assistant principals, but we haven't been able to do that either.

Councilmember Perez,

We are making a pretty good dent. We are heading in the right direction.

Dr. Jerry Weast,

We're making a good dent. We're heading in the right direction in all of it.

Councilmember Perez,

I'm just -- this is -- you're not going to get a lot of monolingual parents showing up at the School Board hearing to advocate for more Parent Resource Officers. They don't have -- I love my friends in the unions, but this is a weak union of monolingual parents working three jobs. I say that with the utmost respect to my friends in the audience, but we have to speak to that union as well. I hope we can try to work on this, because I really feel that's an area where there is a lot of potential, the evidence base is pretty profound in that area. I won't make a motion because I realize that there's a -- I appreciate the



July 25, 2006

1 challenges, but I wanted to get more educated on what you're doing. Mr. Chairman,
2 thank you for letting me ask that question at the outset.

3
4 Councilmember Subin,
5 Thank you, Mr. Perez.

6
7 Council President Leventhal,
8 Chairman Subin.

9
10 Councilmember Subin,
11 Thank you. There are a number of packets in here from several meetings. I'm going to
12 start on page 2-A of the overall packet and break my presentation up as staff had
13 shown in the General Overview. Some of the legal and fiscal frameworks, some budget
14 initiatives, and then some discussion items. The initial Board request was for one million
15 830 -- \$1,839,119,355. The Committee is presenting a recommendation for
16 \$1,853,094,834. That's an increase of \$13,975,000 above the Board's initial request.
17 13.2 of that is pension related, \$775,475 is program related.

18
19 Councilmember Praisner,
20 On that issue, Mr. Subin, do want us to stop you as you go along and I can give
21 guidance to the Councilmembers as they put lights on, or would you prefer to do the
22 overview?

23
24 Councilmember Subin,
25 I'm fine with that, Madam President

26
27 Councilmember Praisner,
28 Then I'd like to ask a question. We just talked about the offset of money the
29 Superintendent has found in order to reduce the cost of the pension. What I have no
30 idea about is where that money is coming from. in what specific categories and where.
31 and I must say, while I very much appreciate the Education Committee's review of the
32 budget, I'm getting less information than I ever got before from the School System and I
33 don't like it. We need more information. The public needs more information. There are
34 just tons of questions that are not being answered. If you have -- you're going to find
35 savings, where are they coming from specifically? If you're going to -- how does that
36 reconcile with the fact that the last fiscal statement for the month of April doesn't show
37 any kind of surplus in those dollar amounts to find savings? So where is this money
38 coming from?

39
40 Larry Bowers,
41 The last fiscal statement was as of the end of March.

42
43 Councilmember Praisner,



July 25, 2006

1 I have one dated April 20th, 2006. Monthly Financial Report and Year-end Projections.
2 And it says the year-end projections are somewhere about \$504,000 surplus. So how
3 do you find all these millions all of a sudden, and where?
4

5 Larry Bowers,

6 I think that report was as of the end of February; reflecting all activities as of the end of
7 February.
8

9 Councilmember Praisner,

10 So you found \$6 million since February -- between February and March?
11

12 Larry Bowers,

13 As a result of getting into the budget and getting into the pension... The Superintendent
14 has asked us to go through the entire budget, look at all of our year-end activities, from
15 our training activities, to any of our spending for summer activities, to any of our
16 purchase of any goods. And so we're scrubbing through the budget in all categories.
17

18 Councilmember Praisner,

19 You've got an awful lot of room to scrub that no other agency of government has that
20 capacity if you can scrub to generate that kind of money within the last few months of a
21 fiscal year.
22

23 Larry Bowers,

24 Well, I think, Ms. Praisner, we would be happy to go through it with you, but we've been
25 very prudent...
26

27 Councilmember Praisner,

28 I'd love to see it and I think the public would like to see it, too.
29

30 Larry Bowers,

31 We have been very prudent all year in terms of our decisions about allocations of
32 resources, allocations of positions. As you know, we've held back positions.
33

34 Councilmember Praisner,

35 You've also had decreases in enrollment. You would have a decrease in total
36 enrollment this year if it wasn't for Katrina students. Isn't that correct?
37

38 Larry Bowers,

39 We would be just about breaking even, we were just a little bit over. But remember last
40 year when the Council took final action on the budget we did reduce the budget by
41 1,000 students, we did cut those positions out of the budget and even beyond that.
42 Because elementary came in lower, secondary higher -- we held back positions at the
43 elementary level because our elementary came in lower. We have been reporting that
44 every month since the beginning of the year. We also looked at other materials that go



July 25, 2006

1 along with those students. So we've been very prudent in terms of how we've been
2 allocating our resources. We've been monitoring it very closely. As you know we've had
3 to monitor it closely because of the significant increases in fuel costs.

4
5 Councilmember Praisner,

6 For which you got a Supplemental and County government did not. So I'd really
7 appreciate it if you would give us the puts and takes that gave you six -- \$3 million in
8 pension savings and also how you've adjusted the budget such that you're going to take
9 the spending affordability reduction in LAPSE. I mean to be able to project a future
10 budget that you're going to take almost \$1.5 million and you're going to take it out of
11 LAPSE and staff turnover... And you obviously, like no other agency except Police, Fire,
12 or Ride On buses, there are lots of positions where you can't LAPSE the positions
13 because you have day-to-day operations that need to go on, So the question is what
14 are you lapsing more, where is the savings coming from -- the \$3 million, and where is
15 the other \$6 million we heard about? I want to see the specifics, and so do folks who
16 are taxpayers want to see the specifics from a standpoint of -- a question of how is the
17 budget built that it has that much capacity to find flexibility and still do operations?

18
19 Councilmember Subin,

20 Well, Ms. Praisner, I think a couple of things need to be kept in perspective here. The
21 \$6 million was a result of two late-breaking issues at the Legislature and at MSDE.
22 MSDE coming in and saying "We need to have that rescission money and demanding it,
23 and the Executive saying to the School System, "Look, I can put up \$10-plus million,
24 you're going to need to put up \$3-plus, and any other issue with the pension." So the
25 School System is sitting there faced with what do we think we can get done for the rest
26 of the year in terms of savings as opposed to giving it up for next year? And how they
27 can come in and develop this whole plan, I think, is a legitimate issue. But on the other
28 hand they have made some choices and said we're going to force the issues now,
29 because clearly if we can't get those savings, those "unsavings" carry over into next
30 year and at the Board will have to make some other choices in terms of cutting back
31 next year. It's correct we should see what the list is ultimately. but I think we also need
32 to appreciate that the timing of this whole issue and why we don't have a detailed list
33 this minute. But the bottom line is they do recognize if they don't find the savings now,
34 they are going to have to find them subsequent to July 1st.

35
36 Councilmember Praisner,

37 I appreciate that, Mr. Subin, and I do have some questions for OMB as well, and have
38 already asked staff to review the whole issue of who makes determinations on the sale
39 of land and how that money is used and how the Council is informed about those. And
40 we will be reviewing that issue in MFP in July, because I think that -- Again, when we're
41 talking about making choices and having information, the ultimate decisions are made
42 here at the Council when we approve a budget and appropriate money. And if there are
43 choices being made -- and I'm not saying the School System -- but there are choices
44 being made around the spectrum of agencies and departments, and including OMB,



July 25, 2006

1 and we aren't aware of what they are we have a different priority for that funds. To
2 automatically say it's going from land sales into helping with the state -- the complexities
3 of trying to deal with a state that says we have to reimburse them on the cost of
4 construction when it doesn't fit the category, even that issue or how it's engaged is
5 something that I think requires not the County Executive to make a judgment, but the
6 full government to make a judgment. And I appreciate that the School System has
7 helped on this issue, but maybe we should be fighting it, not acquiescing. And maybe
8 we should be looking at policy changes at the state level and maybe we should be
9 pushing legislative solutions, not just acquiescing. And I know it has been going on for a
10 long time, but why this year, right now, we have to do it, we can tell them they can take
11 it out of our future GCEI money. There are a variety of ways to engage the state on this
12 issue and I really think the Education Committee has worked really, really hard on these
13 issues. But there are some policy judgments that I think, just like every member of the
14 Board of Education should be engaged in, every member of the County Council, not just
15 the Executive, should be engaged in it. And so we will discuss land sales and where
16 that money gets assigned in MFP. I still would like to appreciate just the wondrous
17 flexibility, and the rigor that obviously went into it, but the capacity to make those
18 decisions as to where you find the savings is one that is lost on many other agencies
19 and departments who don't have that capacity to find alternatives, especially since
20 some did not get supplementals for utility costs. So I just think it's issues we need to
21 look at as we examine decisions that are made both at this table and that other tables.
22 So was any information given to the Board of Education when they reviewed and
23 approved these that we could get copies of? Because I've seen nothing as far as a
24 packet for the Board. If we could have the Board's packet when they made these
25 judgments and whatever additional supportive material you have, Mr. Bowers, I'd
26 appreciate it.

27
28 Larry Bowers,

29 We have not given the Board that detail. They've asked the same questions you asked
30 us and showed them...

31
32 Councilmember Praisner,

33 So the Board made these decisions without that information?
34

35 Larry Bowers,

36 ...to show them where we're going to be getting those savings. And to clarify, under the
37 terms of the LAPSE and turnover we're talking about turnovers savings, basically. As
38 you know that's where we get most of our savings.
39

40 Councilmember Praisner,

41 Well, we just did a wonderful retirement package so we'll have less turnover,
42 remember?
43

44 Larry Bowers,



July 25, 2006

1 And the -- well, I don't know, we'll see about that. But the -- as you know, most of our
2 savings is out of the teachers, almost \$20 million of LAPSE and turnover savings. \$1.5
3 million is about an additional 40 teacher positions, so... And, again, as we've been
4 monitoring, 'cause one of the things is we monitor this very closely in terms of
5 expenditures in all of our accounts. And we have much better information at this time of
6 the year than we did in October and November when we put the budget together or in
7 January when the Board reviewed the budget.

8
9 Councilmember Praisner,

10 But the -- my only point is the last financial statement I had did not show anywhere near
11 these dollar amounts of revenue available from a standpoint of personnel not hired
12 based on enrollment and any of the other issues. It does call into question for me
13 perhaps requesting additional information as far as the monthly financial reports.

14
15 Larry Bowers,

16 Well, Category III does, in fact, talk about the elementary positions...

17
18 Councilmember Praisner,

19 Yeah, but the total dollar amount from the last one I have, which is I guess built on
20 February but is dated April 28th, shows about a half a million dollars, \$500,000. That's
21 very different from \$6 million or \$3 million, whichever one you're talking about.
22 Obviously \$3 million is this year's, the \$6 million I assume is in your projected
23 restructuring of your budget. But both of those I'd appreciate additional information on.
24 Thank you.

25
26 Council President Leventhal,

27 Well, I'm just going to comment very briefly, I want to associate myself with Ms.
28 Praisner's remarks and just state now, although I understand that Ms. Praisner's motion
29 will be coming up tomorrow, that Ms. Praisner, with my support, will be suggesting we
30 add two staff positions for our Office of Legislative Oversight to work with your staff, Dr.
31 Weast, to get a better understanding of some of these fiscal issues, that we would
32 analysts in to assist. Joan Planell is -- we have excellent, excellent support here, superb
33 analysts and Joan is right in the very top tier and I keep her very busy on the Health and
34 Human Services budget. And with a budget of this size it's beyond the capacity of even
35 three analysts, really to advise us on. But since we only have one right now overseeing
36 the Operating Budget, we're going to propose tomorrow to add two positions to the
37 Office of Legislative Oversight to get a better handle on some of these issues. Because
38 it's breathtaking, I think, to the average resident of Montgomery County that \$6 million --
39 I mean, Steve Silverman has been joking here, and I'll just repeat the joke, because it's
40 funny and we can all use some levity here at the end of the day, that there must be \$6
41 million in here somewhere, I'm sure we'll find it. And I would like to know where the \$6
42 million is coming from. because I want the very best education for my two kids in the
43 Montgomery County Public Schools. And I would expect that parents across the county
44 would be interested in being reassured that that \$6 million is not going to have any



July 25, 2006

1 harmful impact on their school; and I'm certain that it won't. because I have confidence
2 in you gentlemen, but it would be nice for the funding body to know where the savings
3 are coming from. And I'll have additional questions but I'll yield to Ms. Floreen for the
4 moment.

5
6 Councilmember Floreen,

7 Thank you. I want to just understand the beginning point for this conversation. Ms.
8 Praisner asked a lot of questions about some of the details, but we have an Education
9 Committee recommendation based on the Board's March 15th budget, as is indicated in
10 the front of the packet. Then there is the Superintendent's budget with amendments.
11 And some of the savings are reflected there, as well as the issue for the pension plan.
12 So I'd just like to get some clarity on what number it is that the Committee is starting
13 from, Mr. Subin. Are your recommendations based on the Superintendent's additions
14 and puts and takes?

15
16 Councilmember Subin,

17 They are based on the Superintendent's additions and puts and takes. That is what gets
18 us to the 1 billion 853 million.

19
20 Councilmember Floreen,

21 Okay, and then -- so the issues outlined on the front page, the 103 for MCS component
22 of childcare, money for a third middle school, fourth middle school, and LAPSE issues,
23 they are already contained in the Committee's recommendations then?

24
25 Councilmember Subin,

26 That's correct.

27
28 Councilmember Floreen,

29 Okay, so we're looking at the Superintendent's recommendation with all changes. And
30 no additional recommendation by the Committee. Is that right?

31
32 Councilmember Subin,

33 That's correct, the Committee's recommendation for the additions were subsumed in the
34 Superintendent's. There were some -- there were one or two other puts and takes, but
35 not to the gross level.

36
37 Councilmember Floreen,

38 So then -- on page two it indicates then we're short \$10 million 531. That right? That's
39 the issue?

40
41 Councilmember Subin,

42 It's...

43
44 Councilmember Floreen,



July 25, 2006

1 Just trying to...

2
3 Councilmember Subin,
4 It's probably...I think it's more like...

5
6 Councilmember Floreen,
7 Just trying to follow along.

8
9 Councilmember Subin,
10 I think more like 10,975... minus the six -- No, that's correct. It's the 10,975...the \$3
11 million for the reversion would not be here.

12
13 Councilmember Floreen,
14 Well, I'm looking at page two of the memo, second paragraph, which says, "To fill the
15 gap requires an additional local contribution of \$10,531,942." Is that the number that's
16 needed?

17
18 Councilmember Subin,
19 I'm getting \$10,975, which is the 13,975 that's listed on the amended recommendation.
20 I'm not sure where the other \$400,000 is coming from.

21
22 Charles Goldsmith,
23 That's from some of these other puts and takes. The local contribution number is the
24 10,500 and then there are some other puts and takes that don't effect the local
25 contribution.

26
27 Councilmember Floreen,
28 That don't effect that, because the different....

29
30 Charles Goldsmith,
31 [INAUDIBLE]

32
33 Councilmember Floreen,
34 Okay, so then the numbers that we're looking at in terms of the big picture are those
35 that are in bold on the second page in the second paragraph?

36
37 Charles Goldsmith,
38 Correct.

39
40 Councilmember Subin,
41 Yes.

42
43 Councilmember Floreen,
44 Okay, just wanted to get some clarity on the starting point. Thank you.



July 25, 2006

1
2 Councilmember Praisner,
3 Keep going, Mike -- oh, Mr. Andrews.

4
5 Councilmember Andrews,
6 This may not be a timely question, but it's about the maintenance workers. I understand
7 the Committee addressed this and that there is a shift in where they are accounted for,
8 but the packet indicated that there were -- in terms of the maintenance workers -- that it
9 was going from 332 to 320. And I had a conversation -- Mr. Knapp indicated there was a
10 recategorization of some kind that results in no loss of capacity...

11
12 Councilmember Subin,
13 Correct.

14
15 Councilmember Andrews,
16 ...but I wasn't sure how that was accounted for.

17
18 Councilmember Subin,
19 And most of that, there were less total jobs in there and the work that they were doing
20 was going to be completed under PLAR, rather than by Building Service workers. That it
21 was the work that was shifting, not necessarily the workers.

22
23 Councilmember Andrews,
24 I see. Okay. All right, thank you.

25
26 Council President Leventhal,
27 Let me just -- I'm getting a number of questions, Mr. Chairman. Let me make a couple of
28 quick announcements regarding schedule. I have been running back and forth trying to
29 figure out how to fit things in. Mr. Chairman, I understand that you have scheduled a
30 meeting of the Education Committee tomorrow at noon to address the Seven Locks
31 matter. Is that right?

32
33 Councilmember Subin,
34 That's correct.

35
36 Council President Leventhal,
37 Okay, it would be my intent that on Wednesday morning the first item of business before
38 the Council would be the Seven Locks matter. I also want to move Community Grants
39 from the 10:00 a.m. work session to immediately after Seven Locks on Wednesday
40 morning. So we could do the grants Wednesday morning, and it would be my goal to
41 have a recommended list of grants to Councilmembers before lunch tomorrow. And
42 then we would act on the grants Wednesday morning. So we may have to move around
43 some other budgets to make that fit. And I will confer with Mr. Farber at the conclusion
44 of this session so that we can accommodate those. But we would do Seven Locks first



July 25, 2006

1 thing Wednesday morning -- we are scheduled to start at 9:30 Wednesday morning.
2 Thank you, Mr. Chairman.

3
4 Councilmember Subin,
5 Was that the explanation you were looking for, Mr. Andrews? It was the work, not the
6 workers.

7
8 Councilmember Andrews,
9 Yeah, I appreciate that, because I saw that there are five new schools that are opening
10 and so, on the face of it, it looked odd. But if the work is shifting that explains the
11 difference and I appreciate the explanation.

12
13 Councilmember Subin,
14 We did talk about that for a few minutes, because the Committee was concerned that
15 with the additional schools and those lower positions, what was going to happen with
16 that work as we increase from the PLAR to the Systemic Life Cycle Asset Replacement.
17 So that was the concern.

18
19 Councilmember Andrews,
20 Okay, I had one other question -- this is really for the gentleman at the table -- and that
21 is what, in your judgment, are the initiatives, the changes in the curriculum or class size
22 or training that you think are having the biggest impact on improving educational
23 performance?

24
25 Dr. Jerry Weast,
26 Wow! How long have you got? A long time?

27
28 Councilmember Andrews,
29 Well, I know that you're good at summarizing.

30
31 Dr. Jerry Weast,
32 I'll try summarizing. I think, if you -- you have to characterize the elementary level and
33 the middle school level and the high school level. And I think at the elementary level
34 we're probably 75% complete on our issues. That is to get the curriculum aligned, get
35 the right number of teachers and the right number of locations and the training that is
36 necessary. And all of that pretty much indicates itself in the outcomes. We went from
37 39% of the kids that could read in the kindergarten, to 81%. And there is very little delta
38 between different groups or races, and that's good. In fact the African-Americans in
39 what we characterize as our most impacted area read as well as the highest
40 socioeconomic -- Caucasians or whites in the highest socioeconomic area, and within
41 two or three points. So that's going along rather well. When you get to fifth grade --
42 those are our first reform kids our National Teacher of the Year, Kim Oliver, started --
43 and now they're in fifth grade. When we get to fifth grade we noticed that when we
44 started our reform only 196 kids out of approximately 10,000 per grade level could do



July 25, 2006

1 the work of advanced mathematics that needed to be -- to hit the trajectory of pre-
2 calculus in high school; to stay on that trajectory. This year we have about 4,000 --
3 3,850 can do that. So I'd say we're about 75% there. We've got a whole lot more
4 training in mathematics, 'cause we're elevating it, and more training in science. But
5 we've got the right combinations, and it's just working it through. At the high school we
6 have the right trajectory now. It is trying to hit that high-end type of course work that will
7 get you to the next level. Our Community College requires a certain entry-level
8 standard, and the universities require an entry-level standard, plus even more. And
9 we're getting about half of our kids -- or greater -- to that very, very high standard. 54%
10 of the children took at least one advanced placement course. That's what put us in the
11 three times the national average, almost. 44% of the kids got a three or better; in the
12 nation that's only about 14%. All of our racial groups actually outscored all racial groups
13 in the nation and all kids in the nation. Our African-American group, for example, of high
14 school kids that took the AP exam outscored all of the kids taking the AP exam in the
15 nation, and outscored the Caucasians in America taking it. And our Hispanic group
16 actually had a higher percentage taking it than the national -- not Hispanic group -- but
17 all kids and outscored the Asians. So we think we're about 50% on the trajectory right
18 there. There's much more work to do at the high schools. Now, at the middle school we
19 think we're about 25% done. That's where we're really working; that's where we've got a
20 lot of work. And we have some shining lights there. We have some national blue
21 ribbons. But we have about 38 middle schools when we get all said and done. And the
22 three that we got some help with -- one of them, the President of the United States
23 came over and visited because it had a high minority concentration. It's at Parkland and
24 it's at Tilden Center right now. But it was the magnet that we put together that we
25 secured \$7 million worth of funding for those three schools. So we had high poverty,
26 high mobility, but yet had sixth graders doing algebra. So consequently we think that we
27 found what the template is for these K-5. So at different levels we're at different levels of
28 our reform. We have many miles to go. Yes, we have lots of wonderful things and lots of
29 things I could tell you that our students, our teachers, have accomplished, but we have
30 more to do. More done at the elementary; half done here. 25 to maybe 40% done in the
31 middle. And so I think I'm happy with what we're doing and we need to stick at it another
32 3-5 years. And that's what I've been trying to get across. The kids that started the
33 reform are in the fifth grade. We now need to do the sixth, seventh, and eighth grade as
34 they move up, and then the ninth, tenth, 11th, and 12th.

35
36 Councilmember Andrews,

37 So the kids that started with the reduced class size back in Kindergarten are now six
38 years -- five, six years in and heading for middle school.

39
40 Dr. Jerry Weast,

41 Yeah, they're in fifth grade, they'll be going in the sixth grade next year. And the
42 problem we have is there are so many kids and so much volume and so much capacity
43 we have to do, we can't get it done except more or less by grade level as they move on,
44 even though we're trying to supplement everything else.



July 25, 2006

Councilmember Andrews,

Is there any initiative that you're not satisfied with how it's working and that you think...

Dr. Jerry Weast,

Yes, several. I don't think we've -- and we're working on a national level on this -- figured out the most effective way to deal with the massive immigration we have. And part of it is that our kids are not coming from a particular country, we get 120 different languages. And that makes it exceptionally challenging, because you can't just make a program for one or two different countries. And then we're coming with so many different cultures, which creates some transition. And we're getting quite a few kids who come to us without benefit of parents, or maybe like our [METS] program, don't even have educational opportunities from the country they came from. And I'm not happy with -- I'm happy that everybody's making an effort, I'm happy we're doing better than most places, but I don't think we've found that template. Special Education: Special Education we are now funding at a much higher level, certainly a higher level than probably anybody in the state, and that's the good news. The bad news is that more people are coming because of that. And we have different groups who are growing at a different rate. The autism group is growing at an exponential rate. And it's how to -- to figure out how to handle the need and do the academic. We have not quite figured out how to extend the school day, 'cause we've been trying to figure out the best way to do that because we are asking people to do more, otherwise to get into the next level, college or [World of Work], we're asking them to do more, but we haven't changed time; we're still doing six hours a day, 180 days a year. That's still less than 10% of a kid's time if he made it in attendance every day. So how do you compress? Knowledge has grown, time has not, outcomes have to go up. I'm not quite sure how to do the compression, because it's kind of like your foot's growing but your shoe isn't; you keep compressing it in. That's exacerbating the burn out with teachers. Mobility is another thing that we haven't quite got a handle on how to deal with, 'cause the kids are kind of moving around. Now we've saturated the elementary, but what happens when they go into the Choice Program at the middle and high school? That becomes more challenging because you don't want to take away choices, but yet that increases the mobility. So there are several things that we have got to work on. I'm also trying to do everything I can with my top team and all of the school principals and all of the teachers and everything to work more collegially, because if we're going to have less time and more outcomes we have to work together better. So we're working on that. What concerns me is that we're taking a real good look at a sorting system in America with all these sorted kids, and now we want everybody to go to high levels -- every kid go to high levels -- we're having to tear down those old sorting barriers. And do it when a state and federal government is doing more and more tests on us that take more and more time, and that's killing us. And we're trying to figure out how to deal with that, because the signal to the teacher is that you want to get rid of the sorting mechanism, but here comes the test and it sorts everybody. So I don't like those sorting barriers. I don't like some win and some lose. I want everybody to win. So that is a huge issue. And I believe that a lot



July 25, 2006

1 of those sorting barriers have done a very good job of sorting out racial -- racial kinds of
2 things. And I think we're trying to deal with those "racial barriers," as I call them, or
3 sorting barriers. So to have a system where, in the past in this country, that not
4 everybody got the high level education, that's what we're trying to create here. and
5 everybody is pushed to that highest level, we have different levels at different structures
6 in accomplishing that. And then I could get into the -- there's a difference between every
7 classroom teacher, because when you have 1,000 teachers turning over -- that's why I
8 want to hold on to teachers. But we have added more teachers and we have a -- that
9 sounds like a lot, but that's only -- that's less than 10% of our workforce because we're
10 up about 11,000 teachers now, and that's a normal turnover. But the problem is the
11 state doesn't make enough teachers to get them from Maryland, so we have to get them
12 from all over. And when they come in, depending on what college they graduated from,
13 what training they had... So they have to learn a new training system as well as an
14 adjustment system. And we're getting -- starting to get picked off by our neighboring
15 counties getting our people, because they're having to move up there to get their
16 houses. And when gasoline hit three bucks we started to have a problem. And this year
17 we started out with double the openings that we didn't have filled when we started the
18 school year that we did last year. And last year was double what it was before. So that's
19 the doubling I'm worried about. So I'm worried about keeping our help, keeping them
20 happy, hit the targets, deal with the state and federal stuff, and do that in a system that's
21 having to produce a higher level of education every year, and get out of the old sorting
22 mechanism.

23
24 Council President Leventhal,

25 Well, I think that is a good summary of the simultaneous and conflicting challenges that
26 you face. Let me just go from the general to the specific real quick. You mentioned that
27 you're seeing an exponential increase in autism in the schools.

28
29 Dr. Jerry Weast,

30 Yes.

31
32 Council President Leventhal,

33 How to the -- what are you doing in that area in terms of the Special Education
34 initiatives and some of the initiatives that are proposed...

35
36 Dr. Jerry Weast,

37 Well, we have quite a few -- first of all you have to take care of the volume and it...

38
39 Councilmember Subin,

40 I think if we go through the Committee report we can get to that.

41
42 Councilmember Andrews,

43 Okay.

44



July 25, 2006

1 Dr. Jerry Weast,
2 I would be happy to further my discussion with you at any time.

3
4 Councilmember Andrews,
5 Okay.

6
7 Dr. Jerry Weast,
8 I think with you're probably -- the hour's getting late.

9
10 Council President Leventhal,
11 The hour is getting late. I wanted to tag on a question about magnet programs, but I'll
12 wait until the appropriate time in the packet. And let's, Mr. Chairman, try to make as
13 much progress as we can. I know that you and I and Ms. Floreen have the same
14 commitment that we're all going to be late to, so if we all show up at the same time then
15 they'll appreciate how busy we are.

16
17 Councilmember Subin,
18 But if none of us show up then we've all got the same cover.

19
20 Councilmember Floreen,
21 They'll have no doubts.

22
23 Council President Leventhal,
24 Exactly.

25
26 Councilmember Floreen,
27 We're a team.

28
29 Councilmember Subin,
30 Okay, 89% of the request for salaries and benefits, 62% of the \$124 million requested is
31 for increased salaries and benefits. I'm not sure how the new pension moneys might
32 change that. Of the Board's request and the increase piece of it, 69% is from the local
33 tax supported funds, which normally is 75%. The amendments, as Ms. Floreen was
34 talking about earlier equal, \$2.2 million. That is to complete the Full-day Kindergarten
35 initiative this year instead of next year, to implement the Poolesville High School Magnet
36 to add four ESOL Parent Community Coordinator positions and 5.6 positions to serve
37 ESOL students. And then there is a position to hire a policy analyst and part-time
38 contractual staff to review and evaluate the effectiveness of Board policies. There was a
39 discussion within the Board and Superintendent on where that would be. There was
40 some community input, but the Board has decided to place that in the Superintendent's
41 Office. The negotiated agreements with all three bargaining units are 3.5%. Next year
42 we'll be opening one new high school, four new elementary schools. The cost of
43 inflation is \$20 million, the greatest part of that being for utilities. We did, as Ms.
44 Praisner said, budget a Supplemental last year. We all kind of choked when the School



July 25, 2006

1 System signed a contract for gasoline at \$2.15 a gallon. It looks like a real bargain right
2 now. Other new initiatives that come to \$17.3 million. The largest pieces of that are the
3 Special Education, the Full-day Kindergarten, high school supports, and class size
4 reductions. There is a commensurate \$6 million reduction in Central Services. I would
5 note that that is now 2.1% of the budget in Category One, back in the late '80s and we
6 were over 6%. So there has been a steady decrease of Central Administrative supports,
7 with those positions flowing to the schoolhouse. Now the average cost per student is
8 \$12,457. I would caution using that number though, because that is an average per
9 student number, which does not represent the cost for "out of School System"
10 placements for Special Ed. There are 546 Full-Time Equivalent adds this year. Ms.
11 Floreen.

12
13 Councilmember Floreen,
14 Just to carp on, Mr. Chair, are you saying that that's the difference between the School
15 System's number and the Executive's figure?

16
17 Councilmember Subin,
18 No, the Executive's figure was a higher number because it included things that were not
19 K-12 and included the entire budget. The \$12,457 is a K-12 average cost number. So
20 they are other pieces going on.

21
22 Councilmember Floreen,
23 Such as -- what would those -- those pieces would be?

24
25 Charles Haughey,
26 Well, this excludes things like where we have Adult Education, which is [INAUDIBLE]
27 but we still have in the budget, Pre-school, programs where those students are not
28 considered part of the K-12 environment.

29
30 Councilmember Floreen,
31 Okay, thanks.

32
33 Councilmember Subin,
34 They are offsets to the \$13,000 in terms of revenues that come in. There are 546 Full-
35 Time Equivalent adds this year, which gets back to Ms. Praisner's earlier comments
36 about a leveling off of the population, and why would there be additional students -- or
37 additional positions with the leveling off? A number of issues: there's All-Day
38 Kindergarten, there's Special Education, we have aides and assistants going in. As Mr.
39 Andrews noted we have the loss of 12 maintenance workers. But there have been
40 better staffing levels in a number of areas that we did not have before, really the smaller
41 class size being -- and Special Ed being the two biggest contributors.

42
43 Councilmember Praisner,



July 25, 2006

1 No, my question really related to the savings in LAPSE and in personnel given the
2 declining enrollment, or leveling off of enrollment.

3
4 Councilmember Subin,
5 I was just addressing your point and then why would there be additional positions.

6
7 Councilmember Praisner,
8 Right, no I understand the new initiatives. The Taxpayers League had asked a question
9 about trying to reconcile MCPS employee population figures or numbers, because the
10 Personnel Complement that we receive when MFP looks at each of the agencies and
11 looks at the personnel shows a number for employees at the -- the FY '06 number for
12 employees, which is different than the number that we've seen in the Personnel
13 Complement. And then there's a subset number listed for MCEA, meaning teachers,
14 that's different than the Personnel Complement information. Rather than to ask you to
15 reconcile them here, now, I think the question is, that they were looking at the Personnel
16 Complement information, which we received, and they saw a different number. So I'll
17 make a copy of their request, and if you could get back to me and them.

18
19 Charles Haughey,
20 Ms. Praisner, we worked with them on that. They were looking at the Staff Statistical
21 Profile, which is a headcount item, which is the number of employees for Personnel
22 reasons. The figure that we have in the budget is Full-Time Equivalent, so that was the
23 difference.

24
25 Councilmember Praisner,
26 Okay, so it's an FTE versus number...

27
28 Charles Haughey,
29 FTE. We worked with Mr. Weinman to...

30
31 Councilmember Praisner,
32 So you're okay now? Mr. Weinman's head -- he's shaking his head no, so they both
33 said... He's saying, both of the charts said "FTE."

34
35 Charles Haughey,
36 Oh, I'll work with him.

37
38 Councilmember Subin,
39 Why don't you reconcile those numbers and bring it back?

40
41 Councilmember Praisner,
42 So why don't you work with them and get it back to me. Yeah, that would be helpful.
43 Thank you. I see no other lights.



July 25, 2006

1 Councilmember Subin,
2 Again, enrollment is flat, however Special Ed students in intensive programs is
3 increasing by about 6.6%. And that's being felt most heavily at the high school level.
4 ESOL students up 500; farm students, a slight decrease. Student demographics
5 increasingly heavy on ethnic minorities: 42% White, 23% African-American, 20%
6 Hispanic, and 14.7% Asian-Americans, .3% Native American. There were a number of
7 speakers...

8
9 Council President Leventhal,
10 Mr. Silverman had a question.

11
12 Councilmember Silverman,
13 I'm sorry. Real briefly, what's the explanation for the bump up in the number of Special
14 Education students?

15
16 Councilmember Subin,
17 Increasing identification of kids in high school mostly. That's where the biggest bump
18 was.

19
20 Dr. Jerry Weast,
21 Basically, there's been an historic under-identification.

22
23 Councilmember Silverman,
24 Okay, thank you.

25
26 Councilmember Subin,
27 That's just a greater attempt to identify students with needs in high school, especially
28 with the high school assessments coming up. Several speakers basically said, "Hey,
29 we're spending all of this money and not getting anything out of it," so I'm going move to
30 the performance measures. Starting on Circle 19 of the packet there is a series of
31 charts, and then the Committee was handed an additional list by the System. Quickly,
32 there are percentage increases in the number of SAT scores of 1,100 or higher: Whites
33 were 23.5; African-American, Asian, and Hispanic rapidly outpaced that number. In fact,
34 African-American increases there were 52.2%. We were at 1,100 for two years -- 1,100
35 plus for two years in a row, which is the best in the state. Number of students who took
36 the SATs: across the nation 47%; we beat that in all ethnic classes here. And that's an
37 important statistic, because it means that more kids are interested in taking that test,
38 which means that more kids are taking courses of rigor. That shows up again in the
39 percentage of graduates taking at least one AP Exam. And increases from the Class of
40 2001 to 2005: African-American increased from 12%; Hispanic, 16%; and All MCPS,
41 14%. Percentage of MCPS scoring 3 or higher on the APs: African-American up 6%;
42 Hispanic up 15%. Percentage of Grade Eight students completing Algebra I or higher:
43 African-American, increases; Hispanic, increases; All MCPS, increases. Mr. Andrews
44 asked earlier about advances in youngsters who've been in the smaller class size, K-2:



July 25, 2006

1 in the Fall, 2005, 36% of MCPS fifth grade students enrolled in Math A or higher. That is
2 where that is showing up. Other record-breaking proficiency levels: in fourth grade, MSA
3 scores for reading, across-the-board; record-breaking proficiency levels, fourth grade
4 math, across-the-board. Second grade scores at or above the national average: Asian-
5 Americans up 9%; African-American, 15; Hispanic, 17; White, 9. So we're raising the
6 bar and closing the gap, maybe not as quickly as we would hope, but more youngsters
7 are getting there, more youngsters are taking courses of rigor. Kindergarten: students
8 are at or above text reading benchmarks since 2002: African-American, up 26%;
9 Hispanic, up 27%; the entire school district, up 22%. I'm looking at some of the national
10 assessments. All 23 of our eligible high schools for two years in a row were among the
11 top 3% in the nation as named by "Newsweek." That is a neutral observer. 44% of the
12 Class of 2005 scored 3 or higher on at least one AP: 17% of African-American students
13 and 33% of Hispanic students in the Class of 2005 scored a 3 or higher on at least one
14 AP Exam. We had 160 students named National AP scholars by the College Board.
15 And Walter Johnson High School was named the Best In the World for AP History by
16 the College Board. Again, the 1,100 in Math and Critical Reading, and 31 National Blue
17 Ribbon Schools, 48 National Merit Scholars. We had, again, Ms. Kim Oliver, National
18 Teacher of the Year. 229 teachers were certified by the National Board for Professional
19 Teaching Standards. And in Albert Einstein High School, Ed Nolan was named the
20 recipient of the 2005 Presidential Award for Excellence in Math and Science Teaching.
21 So, the list goes on and on. And again, while we're not where we want to be, we get to a
22 certain point and we move the goal posts higher and challenge even more. Revenue
23 sources: 75% come from the County, 17.7 from the state, 3.7 from the Feds. Almost 3%
24 are enterprise funds. I'm going to page 6A, under Proposed '07 Expenditures By
25 Category. Instruction is 63.4% of the requested budget. The most substantial increase,
26 unfortunately this year, was in Category 10, which is Plant and Equipment. And that
27 simply reflects higher utility costs. Again, I think it is significant to know that
28 administration only is 2.1%, and that is partially a result of three separate outside
29 studies done on the School System by the private sector, where the School System
30 opened up its policies and procedures, and we've been able to move money out of
31 Administration into the classroom. Funding for Special Ed has increased by 7.5%.
32 Again, an issue with more children being identified. Student transportation is up. And we
33 just, in Committee, approved a request to shift \$1 million from Category Ten to Category
34 Nine to cover the increased fuel cost. Basically that was diesel fuel. On 8-A, getting into
35 the legal and fiscal framework, we do have the state's Bridge To Excellence, which is
36 requiring that all students have All-Day Kindergarten available to them by September,
37 '07. This budget and the Committee has approved the plan -- or is recommending
38 approval of the plan to do it in September, '06, so that it will be available in every school
39 in the County. Funding, the big issue that we had was the \$17 million gap in GCEI
40 funding, which we still are not getting. That was closed with some puts and takes, but
41 mostly by reducing the County's -- not the surplus, we stopped using that word.

42
43 Councilmember Silverman,
44 Excess revenues.



July 25, 2006

Councilmember Subin,

The excess -- thank you -- the excess revenues from 6.5% to 6% of the budget. If we had gone with Maintenance of Effort that calculation, because of the flat student enrollment, would have increased the County contribution by \$1.3 million. Instead, we do have a request of \$81.5 million above that. Starting on 9-A, Compensation: again, 3.5% across-the-board for all of the bargaining units within the School System. On 10-A in Previews Initiatives for Fiscal '07, Special Education presented a challenge -- there were a number of changes in the federal formula for IDEA that gave us some extra moneys in some places, but ended up \$1.4 million short. And the Committee is recommending that we appropriate that shortfall so that we can continue the effort that we have in Special Education. Moneys for Learning and Academic Disabilities Program is 1.5 million. We're moving to a teacher station staffing model and that's just over \$1 million for this year. And that will ensure that every middle school has at least three Special Ed teachers and each high school has at least four teachers. We're moving to what Dr. Wright implemented in Howard County as a hours-based staffing model, which goes into the schools and looks not at the number of -- simply at the number of students, but identifies their needs and what they will actually require in terms of staffing. The School System had recommended adding two schools to that next year, it would have been Forest Oak Middle and Silver Spring International. Based on a memo that Mr. Silverman provided to the Committee we are recommending two increments of one school each to get to four additional schools next year. The first increment's \$327,000 the second increment is \$197,000. There's an issue also that Mr. Silverman brought up in his memo On Web-based System For Education Plans and that is \$515,700. That is required by the feds, the state is falling behind on their advances there, but the Board is recommending that we continue to move on our system. So that is the answer, Mr. Silverman, and from your memo on that. Mr. Silverman's third issue was training. The Committee stated that the system already gets \$52 million in teacher training, staff training and that if additional moneys were necessary for Special Ed they could find it within those resources.

Councilmember Floreen,

Mr. President, I have a question about Special Ed.

Council President Leventhal,
Ms. Floreen.

Councilmember Floreen,

Thank you, Just to understand, the Committee recommendation on staffing, is that included within the total Committee recommendation?

Councilmember Subin,

Yes. Yes.



July 25, 2006

Councilmember Floreen,

Okay, I had just a general question about the Special Education. There are costs associated with Special Education that aren't just instructional. Does the \$228 million budgeted here reflect the Out of System placement requirements, but not the transportation or other employee...

Councilmember Subin,

No, it's all there. That includes the Out of School placements, out of County placements, and transportation.

Councilmember Floreen,

It includes all of those elements then?

Dr. Jerry Weast,

Yes.

Councilmember Floreen,

All right, because it wasn't clear to me from the memo that it did.

Councilmember Subin,

Two points on that, the feds are supposed to...

Councilmember Floreen,

Oh, it's \$340 million!

Dr. Jerry Weast,

Correct. \$340 million.

Councilmember Floreen,

Okay, that's the number that I was looking at.

Councilmember Subin,

Right, the \$228 million is only when we Category Six. I see what your question is.

Councilmember Floreen,

Okay, Thanks.

Unidentified Speaker,

[INAUDIBLE]

Councilmember Subin,

The transportation is a heavy cost. The feds are supposed to be paying 40% of the costs, they pay like 8%. And then they took away 1.4 this year. Overall staffing is like 14-1 for school-based Special Ed, but that will vary by child and by need. That's just an



July 25, 2006

1 overall number. Next issue on 11-A High School Supports: A new initiative worth \$2.6
2 million, and that's to address literacy coaches for all high schools based on the needs of
3 the students in the individual schools. \$400,000 for high school assessment support.
4 That's program is going to kick in soon and we need to get all our young people up to
5 that -- up to the point of being able to pass that. There's a new reading program, Read
6 180. It's an intensive reading program to help students below grade level. And
7 especially in high school what has been a chronic issue are overly large classes, which
8 we're trying to get down *de minimis*. Again, this is an initiative that will add personnel to
9 the Personnel Complement, even though the population is level. Continuing on the
10 elementary class size reduction, which we're seeing the impacts of. We're going to
11 lower the loads in elementary art, music and PE, adding teacher assistants and
12 substitutes in the elementary/middle schools, and class size reductions for Special Ed.
13 Again, to get that down to the 14 staff -- 14 students to every staff individual. Assistant
14 principals are on the second year of that initiative. There'll be an additional 15, and
15 we've done that by changing the standards to which a school will qualify to get there.
16 Middle school reform, this was an issue which the Committee was not totally
17 comfortable that the system was ready to move ahead on and had put the \$500,000 in
18 as a placeholder. What we did was reduced the reform number to \$250,000, and took
19 the other \$250,000 -- and if the Council will remember last year, we put \$100,000 into
20 the Career and Tech Ed for planning purposes to come up with an apprenticeship
21 program to deal with SCIU individuals who qualified for additional training, wanted to
22 move up to the apprenticeship level, understanding also that this is a program that is
23 wanted by Park and Planning, could also be used by the County government. There are
24 plans now that can be moved on, both looking at the [Galdowski] Center, but clearly
25 there has been a lot of movement made with the National Labor College, the George
26 Meany Center. And we're ready to go on that, start with the plans, and get additional
27 training and qualifications for our employees.

28
29 Councilmember Floreen,
30 Question.

31
32 Council President Leventhal,
33 Ms. Floreen.

34
35 Councilmember Floreen,
36 I commend the Committee's effort on the Apprenticeship Program, but I am a little
37 concerned about the middle school issue, because I think that's a really big challenge.
38 And I wanted to get a sense of what the thinking was in terms of the System's attention
39 to that problem, given the reduction.

40
41 Larry Bowers,
42 We have, as we discussed with the Education Committee a significant reform initiative.
43 as we have talked to the students who started in the initiative in Kindergarten and now
44 are in fifth grade. And we have to prepare for the sixth grade. We are looking at the



July 25, 2006

1 curriculum, we're looking at the assessments, and we're looking at the instructional
2 programs, but it needs to go much further than that. We have shifted money from the
3 elementary to the middle level for training next year. Primarily what we were looking for
4 for this additional money was what Dr. Weast had talked about, how do you give kids
5 more time? There's a lot of kids who have to have more time in order to be able to catch
6 up and stay up with their peers. And so we were looking at Math and Reading Programs
7 for the summer for a number of additional students. We have some programs, we're
8 looking at extending them in terms of both the number -- the amount of time and the
9 number of students. That's just one of the initiatives. And as we move this plan forward
10 and we're going to be submitting a plan to the Superintendent and the Board in the fall.
11 It's going to cover all areas of hiring, recruitment, training of our employees. It's going to
12 look at how we organize our schools, how we staff our schools, how we schedule our
13 schools. So you'll be seeing, after we submit to the schools, a wide array of initiatives or
14 plans in which to reorganize, restructure our middle schools so that they're much more
15 successful. The data that we've showed you before, and one of the things that Dr.
16 Weast's talked about, and the areas that he's not as pleased with is certainly in middle
17 schools, and we've got a ways to go. Again, we've accomplished a lot, but we have a lot
18 more to do, and that's what we're going to be seeing in all of this.

19
20 Councilmember Floreen,

21 Well, anyone who's ever been a -- anyone who's ever had a child going through the that
22 age knows the challenge. Are you saying then that -- the work that's underway is not
23 going to stop? You'll have to roll out whatever you have to roll out, and it will have to be
24 vetted by the Board and we'll hear some more from you.

25
26 Dr. Jerry Weast,

27 That is correct. Basically if you take a look at...

28
29 Councilmember Floreen,

30 So there's room.

31
32 Dr. Jerry Weast,

33 Yeah, and it's going to be expensive when we get it done.

34
35 Councilmember Floreen,

36 I know we can count on you, Dr. Weast.

37
38 Dr. Jerry Weast,

39 We looked at the three schools, remember we got the federal government to give us \$7
40 million. You divide that by three, it's a little more than \$2 million a school for a three-year
41 period. And what we're doing is taking a look at how we can do it without doing it at that
42 level. But I can tell you those three schools were our three most impacted schools:
43 Argyle, Parkland, and now what we call Loiederman. And what we are looking at is
44 remarkable success in not only kids taking higher level classes, but achievement in



July 25, 2006

1 higher level classes. What we're trying to do is take a look at what about those models
2 can we use in the other schools and do that as cost effective as we possibly can and
3 capture back that time?

4
5 Councilmember Floreen,
6 So it's a question of implementing initiatives that have been employed elsewhere across
7 the System.

8
9 Dr. Jerry Weast,
10 Yes, right here.

11
12 Councilmember Floreen,
13 It's not that you don't have ideas, it's the question of what's going to go where, under
14 what circumstances?

15
16 Dr. Jerry Weast,
17 We know -- Pyle, for example, was selected as one of the best schools in the entire
18 United States of America. And our -- our three magnets, or their kind of whole area,
19 their choice kind of things in that area. This word "magnet" is misused so many times.
20 Those three whole school reforms that we have at Parkland, Loiederman, and Argyle,
21 that's what got the Presidential visit, is because -- they didn't come here, they were
22 looking in the Secretary of Education about how successful they were, because they're
23 very successful compared to other initiatives that the Federal Government has invested
24 in. And we have sixth graders studying Astronomy, We have seventh graders studying
25 higher level math and working with different kinds of people that are coming in helping
26 us from universities and things like that. So what we'd like to do is see if we can spread
27 those successful programs other places, and how to do that within the time -- that's
28 going to be a killer -- and the cost.

29
30 Councilmember Floreen,
31 So you've got three schools with programs in place that you're happy with, is that what
32 you're saying?

33
34 Dr. Jerry Weast,
35 Very happy with those three schools.

36
37 Councilmember Floreen,
38 And how many other middle schools?

39
40 Dr. Jerry Weast,
41 There are 38 middle schools.

42
43 Councilmember Floreen,
44 38 others?



July 25, 2006

1
2 Dr. Jerry Weast,
3 No, 38 all together.

4
5 Councilmember Floreen,
6 So 35 more.

7
8 Dr. Jerry Weast,
9 And then we have National Blue Ribbon ones and things like that, so we're looking at
10 what works at different locations. Our biggest problem is movement. These little kids on
11 the reform that Phil was asking about? We've got about the same number of fifth
12 graders as we had six years ago when we started the reform. The problem is that only
13 65% of them are the same kids. Now that's a challenge with our reform. So even -- our
14 reform is getting wonderful results, setting District-wide -- shattering the records. But the
15 problem is the reform has to be so strong to offset those...

16
17 Councilmember Floreen,
18 You mean 35% of those children left the System?

19
20 Dr. Jerry Weast,
21 Yeah, 35% left and a new 35% came in. We're running about the same numbers, but
22 running with different kind of numbers.

23
24 [RINGING]

25
26 Dr. Jerry Weast,
27 It's just somebody from the Council offices.

28
29 Councilmember Floreen,
30 Okay, all right.

31
32 Dr. Jerry Weast,
33 They're probably telling me to hurry you guys up.

34
35 Councilmember Subin,
36 Well, it wasn't that the Committee disagreed with the initiative. Everybody agreed that
37 it's not yet ready to roll out that they would be back, and that the apprenticeship
38 program was ready to roll out. And that if the -- if System wide, they could look for
39 \$250,000 in savings elsewhere if they were ready to roll with this.

40
41 Councilmember Floreen,
42 Well, I guess I would ask that the Education Committee watch this issue very closely,
43 because I think it's -- these are the most...



July 25, 2006

1 Councilmember Subin,
2 Fragile.

3
4 Councilmember Floreen,
5 Well, these are challenging children at complex times in their lives, and a challenge for
6 parents to deal with as much as anyone else, I know.

7
8 Dr. Jerry Weast,
9 As I said in my comments to Mr. Andrews, we're only about 25, 30% of where I'd like us
10 to be at the middle school. So that means we've got 70% more to do.

11
12 Councilmember Floreen,
13 So we'll hear a lot more from you on this subject next year?

14
15 Dr. Jerry Weast,
16 You'll probably be very tired of it in the next three years.

17
18 Councilmember Subin,
19 They'll be this and the high school initiatives also, I suspect will be...

20
21 Dr. Jerry Weast,
22 We'll talk about sixth grade next year, 'cause we can't have these fifth graders falling off.
23 And then sixth grade and then seventh grade.

24
25 Councilmember Floreen,
26 Okay. Thanks.

27
28 Council President Leventhal,
29 Mr. Chairman, I would like to ask a question on the same point. And I will follow up with
30 a memo that articulates my questions more clearly. A couple of months ago, Dr. Weast,
31 you offered me a briefing on the issue of the magnet programs, and we've all been busy
32 and we'll get to that. So what I'm going to do is articulate for you the specific questions
33 that I have, which have to do with the programs, the three new ones that you
34 mentioned, as well as the existing programs at Eastern and Takoma Park and there's a
35 new one up at Roberto Clemente Middle School. So, among the things that I'll be
36 looking for, I would like a very clear demographic breakout of participation in those
37 programs. We're talking about sixth now, if we don't want to use the word "magnet"
38 that's fine, I'm not wild about it either. So whatever you want to call them, Accelerated
39 Middle School Programs. And fundamentally what I'm looking for, and I will articulate
40 this in a memo, but I would like to understand the basic answer to the basic question of
41 how is it that we tell any kid no? That is every child that's in the Montgomery County
42 Public Schools is educated in the Montgomery County Public Schools. And any child
43 who asks for that curriculum is going to get some curriculum. And so I would like to
44 understand what are the resource allocation issues that make us say to any child who



July 25, 2006

1 wants that curriculum, "No, you can't have it." If it's because the best teachers are
2 limited, that's a problem. Because should we be making the best teachers available to
3 the most fortunate, most advantaged kids? That's a problem. If it's because we spend
4 more on the most fortunate, most advantaged kids, that's a problem. Are we spending
5 more on the participants in that program than we are spending on other kids? If it's
6 because of classroom space, that's a problem, because all of the kids have to get
7 educated one way or the other and the classroom space is a fairly artificial distinction.
8 So I'm -- and my concern stems -- and this relates directly to what Ms. Floreen was
9 asking, about the affect on a kid who gets told no just as they're entering adolescence.
10 What is the message that that child is receiving about his or her own future when his or
11 her own public school system tells them, "Well, you're just not quite good enough." And
12 what signal does that send to them for their achievement track just as they're entering
13 the years where their hormones are raging and their body is changing and gangs are
14 beckoning and all kinds of inappropriate activities are making themselves available. And
15 just as they step off into adolescence are they getting the message that we believe in
16 them and they're on the successful track, or are the kids who get told no getting sent a
17 different message. So I'll articulate that in more detail. You need not be hours late, and
18 you need not answer in great detail now. But this is a real concern of mine and I am
19 going to want to have a lengthy conversation with the School System, but not tonight.

20
21 Dr. Jerry Weast,

22 Yeah, and I won't get into a lengthy one. I can only tell you that three new programs that
23 we put forward in our middle school reform are whole school. They may call them,
24 because we had quite a bit of debate about that. I may be one of the few people that
25 really doesn't like that word; you are too, okay. They're whole school programs. And just
26 like I was saying before, we've been transitioning from a sorting type of system to one
27 that has everybody hit high levels. Well, we've got some transitioning to do as we're
28 doing our reform with what was done in the past and what I'm trying to bring forward in
29 the future. And it takes a lot of work and a lot of time. And we've done that at the
30 elementary school and now we're going to move through the middle school and do that.
31 And I would hope that we could move towards the whole school programmatic kinds of
32 things. Then people coming in from the outside, you're only limited to them coming to it
33 by space. We're dealing with thematic things, too, because you can't run the same
34 themes every place.

35
36 Councilmember Subin,

37 Well, and the reason that Clemente got the magnet was, in fact, to do that, to make it a
38 whole school program. And because of the high minority population there make it a
39 whole school program and then bring students in from the outside to fill out those
40 numbers. So there has been some movement and I agree with the Council President,
41 we do need to keep looking at those issues and how those programs become available,
42 but we have made some progress. Which brings us to Poolesville and the Poolesville
43 magnet, which was to give the youngsters from Clemente who will be leaving there the
44 chance to move on. There will be 100 ninth graders at Poolesville for that program



July 25, 2006

1 There's a request from the Office of Information and Organizational Systems to enhance
2 the security system, data safety and security, electronic rating and reporting, and
3 information solutions. and they are 1 full-time position and 1 part-time contractual
4 position going into that.

5
6 Council President Leventhal,
7 What page are you on, Mr. Chairman?

8
9 Councilmember Subin,
10 That was on 12-A, the bottom of 12-A Which brings us up to the top of 13-A: Security
11 and School Environment Enhancements and Violence Prevention are issues which
12 we've been discussing with HHS and were in the HHS budget. Building Services:
13 there's the addition of building services workers with 40 FTEs for the new schools. That,
14 again, is a net with the 12 positions that will not be there. Spending Affordability
15 Guidelines: the Board has identified \$1.5 million in savings. On 14-A I've already
16 touched on reduction...

17
18 Councilmember Praisner,
19 Can I ask a question on Spending Affordability? Just as with the other funds for pension
20 and for the \$6 million, I would like to know specifically where those reductions are taken.
21 Thank you. I think that -- no other questions, Mr. Subin, you can go on.

22
23 Councilmember Subin,
24 On 14-A, the impact of the reduction in Federal Revenue for Special Ed, and there were
25 a number of puts and takes and a number of formulas but we ended up with a \$1.4
26 million reduction over all. There were some additional moneys in there which would
27 have taken that number higher. The GCEI of \$17 million, again, by taking down the
28 additional revenue from 6.5 to 6% covers that. The capital costs of the high school...

29
30 Councilmember Praisner,
31 Could I ask a question? I'm sorry. Technically, the GCEI is not an issue from the School
32 System perspective because the School System didn't count that money. The problem
33 is that the Executive counted it, and therefore we have to make up the money. So in
34 that case I think the School System appropriately felt they could find uses for it when
35 they got it, but to program for it without -- given the behavior of this Governor is -- was a
36 wise thing. Unfortunately, the Executive calculated it. Right? Isn't that... Okay. Thank
37 you.

38
39 Councilmember Subin,
40 Okay, the word I've been struggling to find was not "surplus," but "reserves." It's right
41 there. The capital costs of the High School Wellness Center are not in the budget. They
42 can't do that until next April or May, anyhow. And we figured that April and May were not
43 the right times to be starting a program in the School System. So we put that off until
44 July of Fiscal '07 -- '08. High school initiative/Middle School reform we've been over.



July 25, 2006

1 Went over the issue of the number of new employees. The Taxpayers League was
2 absolutely correct, the employee numbers have gone up while the students' enrollment
3 has stayed flat. But, again, looking at needs in Special Ed, reduced class size initiatives,
4 the new schools, assistant principals, All-Day Kindergarten, that's where the additions
5 came in. And then on 15-A, which is the last page of what the Committee went over,
6 went over the issue of the policy staff again. The suggestion was to put it in the Board
7 office rather than in the Superintendent's office, but the Board has made the decision to
8 put it in the Superintendent's Office. Personally, I think the Board should have control of
9 that person, but that clearly is a Board decision on where to put them. The additional
10 staff for budget analysis, same thing. And we will be talking about Council staff on that
11 tomorrow. Reduction of maintenance workers we've been over. End of year savings,
12 again, \$6 million -- \$3 million to go to the pension, \$3 million to the reversion, and we've
13 discussed several times the increase in the Special Ed students. Madam President, that
14 completes...

15
16 Councilmember Praisner,

17 I see no other lights, the only other comment I was going to add is there is also \$20,000,
18 compliments of the Cable Fund, to allow the Board of Education to come into at least
19 the 20th century on its microphone system. What I've been told is that we don't know
20 how much that will fix your problem with Blackberries. But at least it will...

21
22 Councilmember Subin,
23 Get rid of Silverman, that'll fix it.

24
25 Councilmember Praisner,
26 Their problem! But at least if the microphones aren't on it shouldn't pick up as much,
27 unless it's a "push to talk." That should improve some of the Blackberry problem,
28 although not eliminate it completely, from what I've been told.

29
30 Charles Haughey,
31 And I will assume personal responsibility for doing more to enforce the anti-Blackberry
32 rule, but I...

33
34 Councilmember Praisner,
35 I haven't had any luck here, although I'm looking forward to it in the future.

36
37 Charles Haughey,
38 Unless Mr. Silverman decides to change his venue I think we'll deal with others.

39
40 Councilmember Subin,
41 He's decided to do that.

42
43 [LAUGHTER]
44

